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9 January 1985

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REGIONAL AFFAIRS

ARAB INFORMATION PLAN TARGETS UNITED STATES

London AL-TADAMUN in Arabic No 85, 24-30 Nov 84 pp 71, 73

[Article: "Arab Information Plan for Movement in United States and Europe to Be Presented to Expected Arab Summit in Riyadh; Four Proposals for Establishing International Information Organization for Which \$400 Million To Be Allocated"]

[Text] If the Arab summit convenes, it will have to approve an Arab 5-year information plan for movement in the U.S. and European arenas. An initial sum of \$100 million has been allocated for the plan. The plan will be coordinated with the PLO and Lebanon to develop ideas on supporting the Palestinian people and South Lebanon and on exposing Israeli actions to world public opinion.

The Arab League's working paper, which has been submitted to the [Arab] ministers of information, stresses the need for holding an emergency meeting of the ministers if the Arab summit approves this plan so that the trends of information in the international arena may be studied.

It is worth noting that the State of Qatar has submitted one of the working papers which carry proposals and ideas on setting up an independent Arab information organization for the purpose--proposals and ideas that lead to developing an Arab information strategy for the outside world within the framework of a 5-year plan whose instruments will be the Arab League, Arab embassies, the Arab-foreign friendship associations, the chambers of commerce, university professors, student leagues, cultural centers and public relations organizations so that they may all contribute to improving the Arab image in the eyes of the foreigner, to highlighting the Arab nation's cultural role, to stressing that the Arab nation is an advocate of international peace, justice and cooperation, to explaining Arab causes, to confronting hostile propaganda and to underlining the positive Arab political and economic role in developing the Third World.

The plan has defined the specific objectives and rules of the movement, the conditions for its success and the obstacles facing it. Qatar's proposal suggests that the organization sought for this purpose be similar to the American Ford Foundation so that it may be independent of the Arab League but financed by the Arabs, provided that its headquarters be located in the

United States and that it have branch offices in London and Paris. Qatar's proposal also suggests that this organization be supervised by a board of trustees comprised of Americans and American Arabs. There are two other proposals submitted by James Abourezk, the ex-senator in the U.S. Congress, and Dr Edward Sa'id, a Palestinian professor in the American universities, who has suggested that the organization follow the model of the German Marshall Foundation, that it be managed by Americans and financed by Arabs and that its activities not be confined to information and politics.

AL-TADAMUN has obtained the text of the common Arab information plan as approved by the Arab ministers of information and ready for the expected Arab summit in Riyadh. The plan was approved after it had been studied in detail by the meetings of the Arab Seven-Member Information Committee in al-Dawhah and Tunis. AL-TADAMUN publishes here the second and third parts of the plan, which was supplied to us by colleague Salih Zaytun, our correspondent al-Dawhah, noting that the first part is tantamount to a prelude underlining the importance and necessity of the plan and the resolutions of the past Arab summits which noted the importance of developing such a plan.

Independent Information Organization

A. Four proposals for setting up an independent information organization:

In implementation of what the 11th Arab summit conference approved in Amman from 25-27 November 1980--the common Arab action plan, paragraph 2 of article 3 concerning the political sphere which calls for "studying the possibility of setting up an independent information organization to address the foreign world in a developed manner according to a specific plan and to highlight the unified Arab viewpoint on the Palestinian issue and the other Arab causes....,"

The General Secretariat has, within the framework of the studies conducted, sought the help of Arab and friendly experts to discuss the possibility of establishing an independent information organization. In the light of this discussion, the Secretariat offers the following four proposals:

First proposal: It calls for setting up an Arab international information organization (similar to the Ford Foundation) that is independent of the Arab League's General Secretariat and that is financed by the Arabs (\$400 million), with its headquarters located in the United States and with three regional branch offices emanating from it in Washington, London and Paris. The organization is to be supervised by a board of trustees comprised of Americans and Americans of Arab extraction selected by the Arab countries.

Second proposal: It calls for setting up an independent U.S. organization with general interests managed by Americans and Americans of Arab extraction and financed by a grant from the Arab countries or the Arab League (amounting to \$200-400 million) paid in installments over a period of 15 years.

Third proposal: It calls for setting up an independent Arab-American organization (similar to the German Marshall Foundation) managed by Americans and engaging in activities that are not confined to information and politics. It is to be financed by a grant of no less than \$100 million from the Arab countries. This sum is to be doubled through additional grants.

Fourth proposal: It calls for setting up three organizations in the U.S. arena:

1. An information organization financed from within and from outside the United States and managed by Americans.
2. A political organization (lobby) financed completely from within the United States and managed by Americans.
3. A cultural organization financed from within and from outside the United States and managed by a majority of Americans.

The total spending for the three organizations over the next 5 years should amount to \$100 million.

This organization focuses, according to the four proposals, on what we call cultural information founded basically on "improving the Arab image" in the various spheres of the international arena.

B. Difficulties facing the adoption of the four proposals:

1. Adoption of the methods of foreign international organizations:

First proposal concerning adoption of the Ford Organization approach: It is noticed that the credibility of the Ford Foundation emanates from its purely American roots and from its steering clear of political issues that provoke sharp differences and away from political partisanship.

Third proposal concerning adoption of the Marshall Foundation approach; It is noticed that the source of this organization's fund is foreign, coming from a single western state which is considered the biggest and most important ally of the United States.

The Marshall Foundation, the same as the Ford Foundation, steers clear of controversial political issues.

2. Confining the capital to grants from the Arab countries:

Confining the source of funds for the two organizations called for in the second and third proposals will enable Zionism to categorize the organizations in advance as an enemy viewed by U.S. public opinion with suspicion, even with more than suspicion.

3. Legal considerations:

Can a single organization combine legally, and then practically, political information activity with charitable human, cultural and civilizations information activity? (Question concerns second and third proposals in particular.)

The fourth proposal deals with the legal considerations with greater detail, thus recommending the establishment of three organizations, one of them political and financed completely by U.S. sources so as to avoid legal pitfalls. But this does not preclude the emergence of political differences.

4. Setting the United States as the headquarters of an international Arab information organization:

The first proposal makes information activity outside the United States, particularly in Europe, one of the responsibilities of the organization headquartered in the United States, thus throwing the burden on the shoulders of U.S. associations or individuals. Moreover, there is no justification for believing that the Americans have distinguished expertise in engaging in information activity in Europe and Africa. Moreover, we do not believe that the United States is the most fitting site for an international Arab information organization.

The American associations of Arab origin are still suffering from several negative features, despite the increasingly influential role they have begun to perform. We believe that these associations should first correct their conditions so that they may then turn to the main task facing them, namely mobilizing the American communities of Arab extraction.

Mobilizing these communities to the maximum is the condition that must be achieved for creating the internal political base that will in the future give Arab information and the Arab lobby the striking force and influence in the political game of the U.S. elections.

The American associations of Arab extraction are the only candidate capable of such mobilization, with the help of public relations firms specialized in this sphere. The top priority in North America must, in any case, be mobilization of the American communities of Arab extraction before attention is turned beyond the United States.

Saddling the American associations of Arab extraction with burdens outside the United States should come only after these associations correct their conditions and exhaust all the possibilities of mobilizing the American communities of Arab extraction.

If the mother organization is founded in one country and the branch organizations in other countries, then we must face the problems of the relations between the financing Arab side and the management/managements of this organization/organizations and the problems of coordination between them and the Arab agencies (the diplomatic corps and the General Secretariat), the friendship associations and the associations sympathizing with the Arab side in all countries.

5. Going beyond the cultural information sphere to charitable work and scientific research:

This is the tendency of the second and third proposals. If there is wisdom in diversifying the courses we follow in improving the Arab image in the United States, this diversification should rely on the order of Arab priorities.

Considering the real information situation in the United States, considering that the American associations of Arab extraction are suffering whatever problems they are suffering and considering that mobilization of the American Arab communities is still remote and requires enormous efforts to achieve, should the door be opened wide for humanitarian activities, for scientific research and for the needs of the countless U.S. destitute ethnic communities (non-whites)?

It is always possible to allocate a reasonable percentage, ranging from 2-3 percent of the total allocations of any proposed information plan, for limited friendly initiatives toward the U.S. people.

6. Management of the political action by an American organization:

The fourth proposal calls for a purely political organization with purely American financing to deal with the politicians. The proposal tends to be optimistic regarding the possibility of finding the financing necessary for this organization inside the United States.

However, it is not difficult to imagine the possibility of the development of disagreement in interpretation between an organization managed completely by Americans and the Arab parties concerned over the information policy pertaining to sensitive issues.

The fourth puts emphasis on seeking the help of public relations firms and stresses that selected public relations firms can be used, but in specific spheres and without long-term contracts and without entrusting a firm to manage political information, as proposed in this plan.

Five-Year Plan for Information Movement

I. Plan's Objectives:

Improve the various aspects of the Arab image in the mind of the foreigner.

1. Highlight the Arab nation's cultural role.
2. Focus on the fact that the Arab nation is an advocate of international peace, justice and cooperation.
3. Explain the Arab causes, led by the central issue: the Palestinian issue.

4. Confront hostile propaganda, refute its fabrications and change its allegations.
5. Highlight the Arab nation's positive role in the world's politics and economy and in developing the Third World.
6. Expose Israel's aggressive expansionist policy against the Arab countries.

II. Rules of Information Movement and Conditions for Its Success:

1. A clear objective.
2. A clear policy on which the information relies--the Arab summit resolution, led by the peace plan of the 1982 Fez summit.
3. A complete strategy that takes into consideration the needs of the political and information activity influencing decision-makers and cultural and civilizational activity influencing the image of the Arab prevalent in the minds of foreigners.
4. Full utilization of the Arab and friendly organizations existing in every arena.
5. Recruitment of the right human element.
6. Determination of the spending priorities and the spending percentages for the adopted instruments of implementation and for the proposed projects.
7. Securing adequate and steady financial resources.

III. Obstacles to Be Overcome:

1. Ramifications of the Arab political conflicts to any Arab information action, thus affecting the credibility and success of such information action.
2. The dispersal of the information efforts between individuals and organizations, led by the peace plan of the 1982 Fez summit.
3. Drawing up a complete strategy that takes into consideration the needs of both political information action influencing the decision-makers and educational cultural action influencing the image of the Arab prevalent in the mind of the foreigner.
4. Full utilization of the Arab and friendly organizations existing in every arena.
5. Recruitment of the right human element.
6. Determination of the spending priorities and the spending percentages for the adopted instruments of implementation and for the proposed projects.

7. The abundance of Jewish financial resources sympathizing with Israel and supporting it unconditionally and boundlessly.
8. The reality of the deep-rooted sympathy between the western conscience and Judaism due to historical reasons and reasons of heritage.
9. The simplistic view toward the Arab-Zionist conflict prevalent among the top officials of the executive and legislative authorities of a number of countries.

IV. Instruments To Implement Plan

The executive instruments to implement the Arab information plan are:

The General Secretariat apparatus, provided that reforms are introduced into the agencies of the missions operating outside the Arab League. This is what the General Secretariat is working for, especially in the U.S. arena, through:

Separating the action in the United Nations from the action in the U.S. arena.

Recruiting qualified Arabs and American of Arab extraction,

Employing the help of expert advisers.

Employing the help of public relations firms in certain spheres.

The Arab diplomatic corps and careful coordination between the officials in charge of the League's information apparatus and the members of this corps.

The Arab-foreign friendship associations present in all the international arenas, increasing the number of such associations and supporting them.

The Arab-foreign chambers of commerce,

The national ethnic and religious organizations (especially in the United States) and churches,

University professors, student leagues, Arab and foreign cultural centers.

Limited cooperation with the public relations firms existing in every arena.

V. Information Movement Plan in Every International Arena:

The General Secretariat has drawn up a comprehensive and detailed plan for information movement in the North American arena.

The General Secretariat is currently focusing on completing the studies pertaining to the information plans in the African, Asian and Latin American arenas--plans similar to the plan prepared for the western arena.

The various aspects of the activity will be adapted according to the circumstances of each arena in light of the approved studies. The main information plan in the international arenas will be determined in light of:

1. The main Arab objectives.
2. The time limit of the information plan.
3. The objective designed for the plan.
4. The adopted instruments and the role of each of them.
5. The necessary human element.
6. The plan's spending priorities.

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DEVELOPMENT OF SCIENTIFIC RESEARCH CENTERS, UNIVERSITIES DISCUSSED

London AL-SHARQ AL-AWSAT in Arabic 9 Nov 84 p 7

[Article: "Scientific Study on Gulf Universities and Institutes"]

[Text] An important scientific study published by the Arab Education Bureau of the Gulf States on higher education and scientific research points out that there are in the Gulf states 16 universities, in addition to the University College and the Arab Gulf University in Bahrain and the Sultan Qabus University in the Sultanate of Oman in which studies will begin next year.

These universities are: Kuwait, UAE, Qatar, Baghdad, al-Basrah, Mosul, al-Mustansiriyah, Salah-al-Din, Technology, King Sa'ud, Imam Muhammad ibn Sa'ud Islamic University, the Islamic University in Medina, King 'Abd-al-'Aziz University, the Petroleum and Minerals University, King Faysal and Umm al-Qara universities.

All these universities have been founded recently. The oldest, namely Baghdad University and King Sa'ud University, were founded nearly a quarter century ago. These universities have been founded to meet the area's needs for scientific cadres and to contribute to research and studies serving comprehensive material, cultural and educational development in their countries.

The study notes that most of these universities are comprehensive, including specializations in the natural sciences and in the humanities. However, this comprehensive characteristic has not prevented a number of them from specializing in certain fields of education, depending on what the country's or area's conditions dictate and on what meets the need and achieves the hopes and aspirations for which these universities have been founded.

For example, the Technology College in Iraq has concerned itself with engineering and industrial issues, disregarding other specializations in humanities and the arts. This university grants the BS in nine engineering specializations, mechanical, electrical and metallurgical engineering, architecture and other fields of engineering. Meanwhile, Imam Muhammad ibn Sa'ud University and the Medina University in Saudi Arabia focus on Shari'ah issues, principles of religion and the Islamic call [al-da'wah].

Even though most of the Gulf universities are relatively new, the majority of them offer programs for higher studies in nearly all fields of specialization, especially at the MA level.

The colleges included in these universities are similar in quality and in the sections they supervise. The education college, considered a common denominator in most of the Gulf universities, consists of traditional sections, namely, chemistry, physics, biology, geography, history and languages. Meanwhile, all these colleges lack specializations which the area's countries need, such as technological education, guidance and so forth. Consequently, the study stresses the need for the education colleges to be founded in the future to devote greater attention to these missing specializations and to set up special sections for them.

As for the research conducted by the Gulf universities, it is noticed that, generally, two kinds of research centers emanate from these universities:

Centers tied to the universities where research as varied as the different disciplines and specializations forming the basic scientific structure of these universities is conducted. These centers have a somewhat distinctive personality but are not totally independent of the universities. Their scientific cadre shoulders the responsibility of scientific research and takes a limited part in teaching.

The research centers tied to the colleges. They are considered specialized research centers that conduct specialized research depending on the activity of the college to which the center is tied. These centers do not have full-time specialized research cadres. Their main researchers contribute their research effort in addition to their teaching activity.

There are independent research centers that utilize the resources available to the universities, be they material resources (laboratories and equipment) or human resources (researchers, experts and specialists). Most often, these centers also finance the research conducted by the universities and exchange advice with these universities. This interaction between the Gulf universities and the independent research establishments is an undoubtedly healthy and desirable manifestation.

Scientific Research Centers

It is noticed that the scientific research centers that are independent of the universities are found in the Kingdom of Saudi Arabia, Iraq and Kuwait only. Though relatively young, these centers perform an effective role in charting and implementing the scientific research policies of these countries. It can be even said that the strides made by these establishments in enhancing scientific research in the countries to which they belong have been evidently long strides. The task of these establishments and centers is to encourage and finance scientific research without conducting the research directly, as in the case of the Kuwait Scientific Progress Establishment and the Saudi National Science and Technology Center. However, future plans provide for

setting up laboratories to make it possible [for these centers] to conduct research directly. Other centers and establishments may conduct studies similar to those conducted by the specialized research centers controlled by the Iraqi Scientific Research Council and the Kuwaiti Scientific Research Institute within the framework of a general research plan and of a detailed strategy that serves the country to which the center or establishment belongs.

If we examine the Arab Gulf states' scientific research priorities through the activities of their universities, we can classify this research in several spheres: the technology pertaining to gas, oil and their derivatives; energy sources; geology and minerals; water; pollution and the environment; biology and biotechnology; and agriculture.

As for Kuwait, the important spheres of scientific research are: the technology pertaining to gas, oil and their derivatives; energy sources; geology and minerals; water; pollution and the environment; and agriculture.

Regarding Iraq, its spheres of scientific research include the technology concerning gas, oil and their derivatives, energy sources, geology and minerals, biology and biotechnology and agriculture.

As for the State of Qatar, it is nearly the sole state whose scientific research is confined to remote sensor tests and studies on natural resources and the environment.

Naturally, the details of these main headings differ according to the geography, climate and needs of each country.

Energy Studies

For example, Saudi Arabia's research on energy sources is focused mainly on the uses of solar energy. The water studies cover the alternatives to the country's [current] water resources. In the oil and gas technology, Kuwait is concerned with extracting paraffin hydrocarbons from Kuwait oil and converting them into detergents with the aid of catalysts. In the agricultural research, Kuwait is concerned with evaluating the shrimp supplies in the Gulf and with developing the means of cultivating them locally. As for Iraq, the most important research concerns studies on the Shatt al-'Arab basin and on the geology and topography of Irbil and its impact on the area's water resources. Iraq is also concerned with research on industrial pollution in the Shatt al-'Arab, the impact of this pollution on marine life, the relationship between underground water and soil in northern Iraq, the chemical composition of palm fronds, the utilization of these fronds in paper production and so forth.

There is no doubt that bolstering the cadres of the Gulf universities with superior expertise from among national and foreign elements, use of the latest equipment, scientific means and technology and providing these universities and the scientific centers and establishments belonging to them and cooperating with them with the means of research and experimentation will make the scientific research activity in the Arab Gulf area more effective and advanced.

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IMPACT OF 'TANKER WAR' ON UAE DRYDOCK FACILITIES EXAMINED

London AL-SHARQ AL-AWSAT in Arabic 14 Nov 84 p 6

[Article: "Tanker War Has Been Both Beneficial and Harmful to Maritime Activities; One-Third Damaged Tankers Docked Off UAE Coast"]

[Excerpt] The Gulf war developments in the last 8 months have indirectly demonstrated the capability of the UAE's maritime facilities.

Of the 42 tankers and freighters hit in the air raids exchanged by Iraq and Iran, more than 12 tankers and freighters with a total load capacity of nearly 1.5 million tons have been docked off the UAE coastline,

The tanker war started in the Arab Gulf on the 27th of last March when Iraq began attacking tankers approaching the Kharj Island ports in the wake of the famous ultimatum issued by the Iraqi officials on stopping Iranian oil exports, considering that the Iraqi oil export terminals at the tip of the Gulf had been closed since 1980 when they came within range of Iranian artillery and missiles.

The first open Iranian act of retaliation took place on the 12th of last May when Iranian aircraft attacked the Kuwaiti tanker Umm Qasabah, which has a maximum load capacity of 79,999 tons and which was loaded with heavy oil and was on its way from Kuwait to Britain.

What Is Happening in UAE

By simple calculation, it becomes evident that one-third the tankers subjected to air attacks in the Arab Gulf in the past 8 months have resorted to the UAE coast for aid and assistance.

(Pierre Okay) Johnson, the general manager of the Gulf-Dubayy Agency, a national company engaged in maritime representation activities, has said: The availability of maritime facilities in the UAE generally and in Dubayy in particular is one of the main reasons why the tankers come to the UAE coast.

In Johnson's view, these facilities include the maintenance capabilities and the capability to repair the tankers damaged in air attacks with the expertise of companies specialized in such repair work and with the presence of the

Dubayy drydock with its enormous capabilities. This is in addition to the fact that Dubayy is linked to almost all parts of the world by an excellent air transportation network and telecommunications network and to its international reputation in maritime and ship commerce and its facilitating the issuance of transit visas, thus helping to solve many of the problems concerning tanker crews. Moreover, Dubayy has two of the biggest ports in the area (Rashid Port and Jabal 'Ali Port). More important than all this is the fact that the UAE coastline enjoys safety and security and is remote from the Gulf's northern area, which is considered an area of military operations.

Insofar as the UAE's coastline near al-Fuljayrah, in the Gulf of Oman, is concerned, this coastline enjoys some of the abovementioned advantages, in addition to being an excellent natural area for tanker docking in high seas or in territorial waters, without such tankers being exposed to the problems they may face in case they are docked somewhere else because of sea and weather conditions. The first to become aware of tankers subjected to attacks are the maritime agents in Dubayy, who monitor radio communications between a tanker subjected to an attack and its agent. As for how the first hours after the attack are handled by the agent and [the crew] aboard the tanker, the general director has asserted that they are difficult for all, especially if the tanker sustains heavy damage.

Of Most Importance

Through radio contact with the tanker, the request for rescue and the possibilities of extinguishing the fire become known. What is meant by rescue is rescuing injured members of the crew. Often, attention is focused on extinguishing the fire resulting from the attack and then rescuing the crew if necessary. Then come the instructions of the company owning the tanker with which contacts are made at the same time as with the tanker in order to make the proper decision compatible with the conditions to which the tanker is subjected.

When a decision is made to tow the tanker to the Dubayy Emirate coast, a series of other steps begin. Tugboats are instructed to proceed to the tanker's location or to await its arrival, depending on the consequences of the attack. Immediately upon the tanker's arrival, a comprehensive examination is made to find out the extent of the damage and to familiarize the insurance companies' representatives and the owning company's representatives with the damage so that they may prepare their special reports on payment of the insurance and repair costs. Then an evaluation is made and the local companies bid for the repairs. The repair companies include two major companies in Dubayy and a number of other small companies.

If the damage is extensive, negotiations begin at an early time and before the initiation of these steps with the Dubayy drydock because it is the only place where major repairs can be made.

There are two kinds of repairs needed by tankers: one temporary and the other complete. The temporary repair is often made when a tanker sustains light damage. The tanker then continues its voyage for final repairs in Southeast Asian and European drydocks or in Dubayy.

Numerous factors intervene in all these decisions, the most important being agreements with the insurance company and the owning company and computation of the costs of keeping the tanker in operation.

Role of Repair Companies

On the other side of the maritime agencies, there is the role of the local companies and establishments specialized in ship repairs. Often, an attack on a tanker in the Gulf means a good job opportunity for these companies and establishments, which move quickly after becoming aware of a tanker being hit. They contact the local representative and make an offer to repair the damage after it is assessed. Thus, the role of the maritime agent is that of coordination between four sides which include the tanker captain and the crew on the one hand and the company owning the tanker, the insurance company and repair companies.

After the decision is made to make the repairs in Dubayy and the procedures pertaining to this decision are completed, there follows the role of the safety and security companies which examine the tanker [after it is repaired] and issue a certificate attesting that the ship is fit and capable of operating after the repairs. The tanker then proceeds to resume its sea voyages.

Advantages and Disadvantages

The general feeling in Dubayy maritime circles is that the attacks on the tankers and the tankers' resorting to the UAE coast [for repairs] has offered benefits which would not have been available under different circumstances. But this feeling is countered by other projections asserting that the war has lowered the level of maritime activities in the area generally as a result of the fear of being exposed to direct hits in the war activities exchanged between Iraq and Iran on the surface of the Gulf waters.

John (Nib), the executive deputy director of the Dubayy drydock has stressed this view. However, he believes that the Dubayy drydock has suffered a bigger drop in the level of its activities as a result of the war because the owners of ordinary vessels refuse to send their vessels for maintenance and repair in the dock for fear that they may be detained there by the area's military operations. He has also pointed out that the dock has done comprehensive maintenance and repair work for a number of tankers hit and damaged in the Gulf war, including the Kuwaiti tanker "Bahrah" which left the dock after it was repaired last June and the Turkish tanker "Buyuk Hun" which has been waiting in the drydock since 7 June for the owning company to make the decision on its repairs, considering that the tanker sustained extensive damage. This makes it likely that this tanker will be sold as scrap metal because its repairs will take 5-6 months. This is in addition to the tanker "Royal Colombo" whose repairs are scheduled to be completed in the first 10 days of this month and the tugboat "Pacific Protector" which is being currently repaired in the dock and which may resume its operations within 1.5 months.

Finally, the drydock is awaiting the arrival of the gas tanker "Gas Fountain" upon completion of the transfer of its load of butane and propane gas to another tanker and after the tanker's deposit for the required repairs.

ALGERIA

DIVERSIFIED ARMAMENT POLICY EXAMINED

London AL-MAJALLAH in Arabic No 249, 17-23 Nov 84 pp 38-39, 41

[Article by Muhammad 'Ali Qasim: "A Military Parade on the 30th Anniversary of the Revolution; Bendjedid's Algeria also Has an Armament Policy; Years of Relying on Soviet Weapons Have Come to an End"]

[Text] Britain is getting ready to sign a 300 million dollar deal with Algeria.

Until a few years ago Algeria was almost totally dependent on the Soviet Union which was the source for its arms and furnishings for its armed forces. Although Algeria received less weapons from Moscow than other Arab countries, such as Syria, Iraq and Libya which have been receiving Soviet military support, Algeria was treated equally. It may have even been treated better than those countries, regarding the kinds of weapons that Moscow agreed to provide to Algeria's troops throughout the past years.

Reliance on Moscow

Actually, Algeria was one of the first countries to acquire from Moscow a variety of new generations of Soviet weapons. Algeria was the first country to acquire those weapons since Moscow began shipping weapons to the Arab area in the mid seventies.

There are numerous examples of that. The Algerian army was one of the first Arab armies to begin using the new Soviet T-72 tanks. These tanks were seen for the first time during the military parade that was held in Algeria in 1979 to celebrate the start of the People's Liberation War there. Various new kinds of Soviet weapons were also seen at that parade along with the tanks. They included BMP-1 combat infantry vehicles; 152 and 122 millimeters automatic field artillery guns, models SB-73 and SB-74; and anti-aircraft SAM-6 and SAM-9 missiles.

The Soviets are considered principal suppliers of furnishings for Algeria's air force. Among the first pieces of equipment that Moscow supplied to Algeria's air force in the seventies were the MIG-23 and MIG-25 interceptor fighters. Moscow also provided Algeria with MIG-27 and Sukhoi-20 fighter airplanes as well as MIL MI-24 anti-tank helicopters.

Algeria's navy also received special treatment from the Soviets. This is evident in the fact that Algeria's navy acquired Soviet frigates armed with KONI missiles. The navy also acquired Nanuchka Corvette speed boats for guarding the coast. This is a new class of boats, and Algeria was the first Arab country to acquire them.

Towards Diversifying Sources

At the present time the greater part of Algeria's military arsenal still consists of equipment that originated in the Soviet Union. At the present time in fact, this equipment constitutes close to 90 percent of the armaments of the different branches of Algeria's armed forces.

But this situation is likely to change, and it is likely to change with unexpected speed. For some years Algerian leaders have been showing noticeable interest in the possibility of pursuing a more balanced armaments policy with regard to their international connections. Steps that have been taken in this regard, particularly since President Chadli Bendjedid took office in Algeria, show that there is a growing tendency to diversify Algeria's sources of weapons so as to meet its defense needs in a modern and effective manner.

Algeria's policy of diversifying its sources of weapons has been characterized by its rational character. It stemmed from a set of considerations that are purely defensive and are based primarily on the principle of providing Algerian troops with what is suitable to their specific needs regardless of the source. It is on that basis that this policy has preserved Algeria's traditional relations with its principal arms suppliers such as the Soviet Union. At the same time this policy attempted to supply Algerian troops with specific kinds of western weapons and equipment that were superior to their Soviet counterparts.

Efforts to diversify the sources of Algerian armaments included turning to different western countries, including the United States. No restraints or political impediments were attached to these efforts. Quite the contrary, these efforts coincided with the general improvement in Algeria's relations with the principal western powers in Europe and the United States. This improvement in relations, which began in the early eighties, clearly reflected the fact that Algeria's international position was upgraded as a direct result of the balanced international alliances that have been pursued by Algeria's present leaders.

At the present time, the nature of the Algerian forces' armaments manifests the results of the diversification policy that has been in effect for several years. Algeria's present military arsenal includes American, British, French, West German, Dutch and Italian equipment. Besides, it also includes the principal Soviet equipment on which Algeria's military arsenal is built.

What is interesting in this regard is the fact that Algeria's relations with the United States on the subject of weapons, for example, were not suspended, not even during those periods when political relations between the two countries were at their lowest. During the seventies Algeria did receive American equipment from the United States that was acquired through commercial deals. That is, those deals were not subject to the embargo laws that are usually imposed by the U.S. Congress against those countries in the world that are classified as "unfriendly."

Through these deals Algeria acquired American Hughes-300 helicopters; F-34 Mentor airplanes for training; light Beech airplanes for engagement and transport; and six C-130 Hercules heavy transport airplanes. The change in relations between Algeria and the United States followed Algeria's mediation with Iran during the U.S. hostage crisis in Iran. The United States' appreciation of Algeria's role at the time caused the Congress in 1981 to approve, for the first time in the history of Algerian-U.S. relations, a government weapons deal that included supplying Algeria's air force with eight additional C-130 Hercules transport airplanes. That made these airplanes the backbone of Algeria's present air transport capability.

About 2 years ago the improvement in relations between Algeria and France caused Paris to agree to sell Algeria 44 Panhard M-3 armored personnel carriers. In addition, France sold Algeria 5 Puma personnel carrying helicopters and Falcon transport jets.

Algeria received from West Germany 26 (Fouga Magistere) jet aircraft for training and tactical support. At the present time Algeria's air force is also using Dutch Fokker-27 transport airplanes. Algeria's navy also has Italian Baglietto patrol boats.

At the present time Britain is considered one of those countries whose relations with Algeria, as far as weapons are concerned, have grown noticeably in the past few years. The volume of military trade between Britain and Algeria had been close to zero, but in the early eighties both sides signed an important deal whose value is estimated to be about 300 million pounds sterling. According to this deal Algeria purchased from the British Brooke Marine Company four Kebir offensive missile carrying vessels equipped with Italian made Automat anti-ship missiles; two Brooke-37 meter offensive torpedo boats; two Brooke-93 meter vessels for landing tanks; and two Brooke-2,200 ton vessels for transport and logistical supply.

These new British weapons were added to those that Algerian forces have acquired recently from France and Italy. These acquisitions included 44 French Panhard AML-60 armored vehicles and 40 Italian Fiat-6616 armored vehicles.

Competition over New Deals

Efforts to diversify Algeria's sources of weapons will not stop at this point. Observers are presently awaiting the choice that Algeria will make regarding a new important deal whose aim is to provide Algeria's air force with a new kind of jet aircraft for training and support to replace the (Fouga Magistere) airplanes that are currently used on such missions. At the present time five eastern and western countries are competing over this deal. These countries are Czechoslovakia, which is offering its airplanes, known as Albatross L-39; Spain, which is trying to sell Algeria the Casa 101 Aviojet; Italy, which is trying to sell its MB-339 aircraft; and France and Britain. At the present time everything indicates that it is likely that the competition will be confined to the two latter countries. It has become almost certain that Algeria will choose either the French Alpha jet--which is basically a joint French and West German product--or its British counterpart, the Hawk. The Hawk seems more likely to win the deal ultimately. British Aerospace has actually begun preparations for

signing an official agreement with Algeria estimated at about 300 million dollars to provide Algeria's air force with 24 Hawk airplanes. If the British have reason to entertain such hopes, this agreement will be signed in the next few months, and delivery of the airplanes to Algeria's air force will begin some time after 1985.

In general, the fact that the British would be awarded this deal will be a major accomplishment achieved by efforts that have been growing for some time to re-establish Britain's position as a principal arms supplier to the Arab region. At the same time this deal will come as a new manifestation of Algeria's determination to furnish its armed forces with their defense needs according to an independent rationale that is determined exclusively by the nature of those needs and the means by which they can actually be met, quite apart from any political pressures or international considerations. Within this determination it would be possible to say without exaggeration that the diversification process will continue to be one of primary importance for Algeria's weapons arsenal, at least throughout the coming years.

Algeria's Military Strength Late in 1984

The total for the armed forces: 140,000 men, plus 100,000 in the reserves.

The army: 120,000 men

- 800 principal tanks including 100 T-72's; 300 T-62's; and 400 T-54's and 55's.
- 1,600 armored vehicles.
- 150 automatic field artillery guns.
- 500 field artillery and Howitzer tow guns.
- 200 missile launchers.
- 150 SAM 2/3/6/9 anti-aircraft missile platforms.
- 50 Frog-5 and Frog-7 surface to surface missile platforms.

The Air Force: 12,000 Men

- 300 combat airplanes, including 96 MIG-21's; 20 MIG-23's; 24 MIG-25's; 20 MIG-27's; 32 Sokhoi-20's; 20 Sokhoi-7's; and 60 MIG-17's.
- 300 transport airplanes.
- 100 helicopters.
- 100 training airplanes.

The Navy: 8,000 Men

- Two Romeo class submarines.
- Two Koni frigates.
- Four Nanuchka Corvettes.
- 22 Osa, Komar and Kebir missile boats.
- 18 patrol boats.
- Two minesweepers.
- Three landing vessels.
- Two logistical support vessels.

EGYPT

SUBSIDIES, DEFENSE SPENDING PLAGUE BUDGET

London AL-TADAMUN in Arabic No 79, 13 Oct 84 pp 31-32

/Article by 'Adil Murad and 'Abd al-Qadir Shuhayb: "The New Budget Took Away the Subsidy but the Kafr al-Dawwar Incidents Brought it Back" /

/Text/ The New Egyptian Budget Carries a 22 percent Increase in Subsidies

The question of the subsidization of basic commodities in Egypt erupted once again less than 3 weeks after the adjustment of the prices of staple goods. The site of the eruption this time was not Cairo, as it was in 1977, but the industrial city of Kafr al-Dawwar in the northwestern part of the Delta, where unrest and violence gained the upper hand and resulted in the killing of three citizens and the injuring of a number of others. The immediate causes of the unrest stem from the new insurance law that imposed an increase in the premiums levied on the workers' wages, because of which some of the workers refused to accept their monthly wages. The trouble was related also to decisions to increase the price of wheat, beans, sugar, cigarettes, and sesame to counter the budget deficit, for the government pays about \$800 million annually to subsidize bread alone.

President Husni Mubarak immediately called together a group consisting of the ministers of Supply, Industry, Interior, Local Government, and Agriculture to discuss the decision to raise the price of goods again. He asked the ministers to review the prices and roll them back to their previous level, beginning with the price of pasta. He also asked the public not to misuse wheat and products made from it. He said that Egypt imported about 6 million tons of wheat a year and that it was a strategic commodity that could be used as an instrument for putting pressure on the country.

These events are considered to be a serious blow to the economic wing of the Egyptian Government that believes that it is necessary to adjust the price of commodities in order to curb the alarming decline in the government's hard-currency receipts and to check the misuse of these commodities. This is something that is widespread at present; cheap bread is used to feed livestock because it costs less than fodder. This

wing was behind the price adjustment in January 1977 that resulted in the death of 79 persons and caused heavy damage estimated at hundreds of millions of pounds when it gave rise to widespread riots in Greater Cairo during al-Sadat's presidency.

This economic wing's position is based on the reports of the International Monetary Fund /IMF/ and the World Bank, which stress the necessity of gradually eliminating subsidization as an indispensable means of putting the Egyptian economy on the right course and as a preliminary to Egypt's requesting financial support from the IMF in the future. The IMF made it a condition that other developing countries take such measures, and when they were applied it also resulted in outbursts of rioting and violence. Among the countries that went through this hard experience were Mexico, Tunisia, and Morocco. In each case the governments retracted the decisions to increase the price of staple commodities.

The IMF points to the price of bread in Egypt as an extreme case of subsidization. The price of a loaf of bread in Egypt is not more than one Egyptian piaster, or less than one US cent or a British penny. But bread is looked upon as a necessary food item by millions of Egyptians, especially in the rural areas. Egypt's consumption of bread is considered to be one of the highest among the developing countries.

The general features of the new draft budget for 1984-85, which was submitted by the Egyptian Government last month after a long period of preparation, had contained a reduction of 10 percent in general expenditure and an actual increase in the amount of subsidy for commodities that came to \$2.48 billion, representing an increase of 22 percent over the previous year and 15 percent of current expenditures in the budget. But the increase in the subsidy size resulted from the rise in the price of the subsidized commodities, most of which are imported by Egypt, and not because an increase in the percentage of subsidy or the addition of new commodities to the list of subsidized items.

Another thing that stood out in Cairo was the new draft budget's 10-percent, or 250 million Egyptian-pound, increase in expenditure for the armed forces, so that the expenditure for the armed forces comes to 2,400 billion pounds or about 11 percent of the anticipated national income. This is the third consecutive year in which expenditure for the armed forces has tended to increase. In 1981-82 the size of the expenditure was 1,287 billion pounds. It rose to 1,742 million pounds in 1982 and reached 2,133 billion pounds last year.

When Dr Salah Hamid, the Egyptian minister of finance, presented the new draft budget he told the members of the People's Assembly that the fulfillment of the requirements of the armed forces was regarded as the number-two objective of this budget, after turning the wheel

of economic and social development. This, he said, was to be followed by the goals of meeting public debt obligations, achieving social justice, and rationalizing government spending and subsidy, improvement of the conditions of workers in state enterprises, and solving the problems of the public sector.

The minister of finance continued by saying that the armed forces were entering an important stage of developing and modernizing their weapons and training their personnel to use and maintain these weapons so as always to be at the peak of readiness to carry out their mission as well as possible. He said that the armed forces were now making efforts to create an agricultural and industrial production base to cover their requirements and render them self-sufficient, in addition to carrying out housing projects for their personnel. In so doing it plays a part in solving many problems on the national level.

The Egyptian armed forces also participate in carrying out a number of development projects, solving problems in certain civilian sectors, and playing an effective role in training skilled technical workers.

As the Egyptian minister of finance has said, the provision of the necessary financial credits for the armed forces of Egypt is the chief one of the financial policies on the basis of which the general budget was prepared so that the armed forces can move forward with strengthening their capabilities, raising their efficiency, adopting the most modern military procedures, providing vital services for their personnel, and sharing in bearing the burdens of development.

It should be mentioned that 2 years ago certain proposals were made in Egypt that were discussed in the economic conference held in 1982. They called for rationalizing or decreasing military spending, and these ideas gave rise to a basic working paper that was discussed by the conference. The paper was prepared by a group of five experts, who presented it to the conference. They were Drs 'Abd al-Jalil al-'Umari, Ibrahim Hilmi 'Abd al-Rahman, 'Ali al-Juraytili, 'Abd al-Mun'im al-Qaysuni, and Husayn Khallaf.

However, the proposal to rationalize or decrease military spending faced opposition by the representatives of the armed forces in the conference. This opposition was predicated on the difficulty or impossibility of carrying out this proposal because the work of maintaining the weapons of the armed forces requires large amounts of money, as do training and the supply of new weapons to the forces.

For that reason the proposals for rationalizing military spending never reached the stage of implementation. The first financial budget following the end of the conference produced an increase of some half-billion pounds in expenditures for the armed forces. Subsequently the increases continued until they exceeded a billion pounds in the period between 1981-82 and the present.

It is known that Egypt obtains from the United States loans and financial aid to finance its acquisitions of American military equipment and arms with which the Egyptian armed forces are equipped. The amount of these loans during the past 9 years has come to more than \$3.5 billion.

This means that annual Egyptian military expenditure greatly exceeds the figure given in the general Egyptian budget. For the military loans are not included in this figure, but appear in the section devoted to the payment of installments and interest on both military and civilian debts.

Hence the percentage of Egyptian military expenditure rises to more than the 11 percent of the national income assigned to it this year in the new Egyptian budget.

The advocates of rationalizing military spending were asking that this percentage not exceed 10 percent as in other countries, especially with the end of the state of war with Israel and the ratification of the peace agreement between the Egyptian and the Israeli governments in 1979.

It should be mentioned that the percentage of Egyptian military expenditure had reached more than a third of the national income by the end of the June 1967 hostilities. This was because the greater part of Egypt's resources was devoted to rebuilding the Egyptian armed forces to enable them to liberate Egyptian territory occupied by the Israeli forces during these hostilities.

But this percentage declined at the beginning of the 1970's and especially after the October 1973 war. It declined further with the end of the 1970's, reaching 11 percent in the present year whereas 2 years ago it had been 13 percent.

The prevailing view after examining the features of the new general budget and its results is that the weaknesses of the Egyptian economy usually appear in an exaggerated form, while the strengths are not apparent. For the Egyptian economy has many strong points that guarantee that it will keep going, even though future problems are centered on development aspects. It is not expected that the economic growth rates that appeared in the 1970's will continue. This is because of the change in international circumstances now taking place. The era of rising oil prices has ended and Egypt's income has declined as a result, as have the remittances of Egyptians working abroad following the appearance of signs of retrenchment in the budgets of the other Arab oil countries since the beginning of the 1980's. It is not anticipated that Egypt's income from such secondary sources as tourism, the Suez Canal, and exports will increase. Rather, an effort will be required to maintain income from these sources at its present level.

According to the Central Bank of Egypt's statistics for 1982-83 (the last year for which statistics were published), Egypt's total exports had a value of \$3.5 billion, of which \$2.5 billion came from the export of oil. At the same time imports reached \$8.3 billion, making a total deficit of \$4.8 billion in the balance of trade. Other sources of income included remittances by Egyptians abroad, tourism, and the Canal revenue, a total of \$3.1 billion. Therefore, the size of the deficit in the current balance was \$1.7 billion, a figure not considered to be alarming by the standards of developing countries.

The serious problem in the Egyptian economy is a structural one. The private sector has grown and the income of its leaders and those working in it has steadily increased, as has that of the expatriate Egyptians, by a large percentage during the past few years. But the public sector and the traditional sectors of agriculture and industry have experienced no change or growth worth mentioning during the 1970's. As a consequence wages in those sectors have remained at low levels and they have had to remain completely dependent on the government's subsidization of basic commodities.

While the active sector of the Egyptian economy has attained a stage of stability and gradual growth, the traditional sector has fallen behind. Production of foodstuffs during the 1970's rose by only 2 percent per annum, and there has been an increasing shortage of housing that recently reached a figure whereby another million persons go without housing every 10 months. Industrial production declined during the 1970's and imports of foodstuffs rose until they passed the half-way mark of the national consumption. It appears that the regime of subsidization is penetrating even the non-traditional sectors, for communications and fuel are heavily subsidized, which in the future will threaten Egypt's exports of oil.

This being the case, it is difficult to predict an early end of the regime of subsidization that has remained a part of the Egyptian economy since the 1950's. Likewise, one cannot expect an increase in industrial exports, a decrease in the consumption of foodstuffs, or an increase in the remittances of funds by those working abroad. There does not appear to be any way to correct the present course except through a highly efficient system of taxation that would ensure that high-income groups would bear some of the burden of government spending and the required subsidy of basic commodities.

12541

CSO: 4504/62

EGYPT

PERFORMANCE OF AL-JIZAH MAYOR CRITICIZED

Cairo AL-JUMHURIYAH in Arabic 13 Nov 84 p 3

[Editorial by 'Abd-al-Mun'im al-Sawi: "Drops of Dew"]

[Text] How can an official continue to hold a position of responsibility if he is unable to assume that responsibility? Will Greater Cairo's new neighborhoods, including al-Jizah, be destroyed in less time than it took to build them?

Is the destruction being perpetrated by someone, or is it self-inflicted? If someone is responsible for the destruction, why is he not being questioned? Why isn't he on trial? Is he above the law? Who is that person who is above the law?

If the destruction is self-inflicted, it is then a scientific phenomenon that has to be studied. Are neighborhoods being built even as termites, for example, eat away at their foundations? Will we eventually see these structures crumble and be strewn by the wind like flour?

From time to time the governor of al-Jizah sees the object of his trust being wasted. One time a pipe broke, and people became furious. It was established with certainty that the government administration was unable to repair the pipe. For days we followed the story of the pipe on the pages of newspapers and on the radio.

We are also calling the governor's attention to a painful fact. The areas surrounding the homes of journalists, engineers and university professors in neighborhoods designated for them in the governorate of al-Jizah are unacceptably dirty. But the governor of al-Jizah is preoccupied with the task of penalizing people who may be innocent or guilty.

People are being penalized even as the amount of filth grows and even as mud, undaunted by a decree from the governor, splatters and covers the pavement of the streets. The governor can fire people and get rid of them, but he cannot get rid of the filth and the piles of garbage and mud; these are too big for him to handle. It is obvious that this job is too big for the governor since he has not been able to do anything about it.

It is really disgraceful that we have to live in this stifling atmosphere. It is really disgraceful that we have to waste effort and time talking about such matters.

It is really disgraceful that neglect is dragging us down, getting our attention and causing us to leave the tasks we have to do undone because we become pre-occupied with this governor or with whomever was sent there to control him.

The simple fact that must be affirmed is this: the governor of al-Jizah is a public official. He has duties that he must carry out. If he does not carry them out, then he himself has sealed his fate.

8592

CSO: 4504/112

FREEDOM OF EXPRESSION DISCUSSED

Cairo AL-JUMHURIYAH in Arabic 20 Nov 84 p 5

[Editorial by Muhammad al-Hayawan: "A Word of Affection"]

[Text] A foreign journalist asked me, "Why is it that the so-called nationalist newspapers have become more vocal in their opposition these days than opposition newspapers? Why are they discussing everything more extensively and fearlessly?" I told him, "I believe our actions reflect the statements that are being made by political leaders. They declared that they believed in democracy, freedom and the role of the opposition, and they pledged they would not prevent anyone from expressing his opinion and would not confiscate any ideas. We believe that completely. That is why we are doing what we are doing. We are doing what you and others think is a serious development in favor of democracy in Egypt."

An Arab poet once wrote, "A person in our country is a prisoner of his own skin. He is identified by his fingerprints, by his breath and by his dreams at an early age. Our country is in turmoil; there is nothing in it but the torment of hell. A person in our country who has feelings or sensibilities is guilty of an unforgivable crime."

It is not up to us to comment on this pessimism. But we do thank God that we are free of such fear. We do not want this fear to return. Freedom feels much better than we imagined.

When he was abroad, an Egyptian intellectual wrote, "When Marxists were arrested, I said it was none of my business. When the Muslim Brothers were arrested, I shrugged my shoulders. When the Nasirists were taken away, I was not interested. But when I was accused me, I screamed for help, but no one heard me. That is because there was no one left to hear."

That was a good statement. The question, however, is this: "Why did you not write this statement in Egypt? There is no longer anyone in Egypt who objects to an idea or confiscates an opinion. People are neither being arrested in Egypt, nor are they screaming for help."

Their business is no longer profitable. These are people who opposed the government to gain fame. They got paid for what they did, and they benefited. When they were in power, they got paid and shared the bounty with each other. When

they were in the opposition, they collected from everyone. To them, the opposition was a commodity to be sold. When Egypt decided to become free, they no longer had anything to sell, so they started capitalizing on the past. They stated that they had been imprisoned and barred from writing. They are saying this today because freedom has wiped the slate clean and exposed everything. Their cries for help no longer work: no one obeys them; no one chases them; and no one asks about them. This is one of the advantages of freedom.

Some people who were barred from writing refuse to capitalize on that fact, and they decline to ask for compensation because they did what they believed they had to do. God ultimately championed them, and to them that is enough.

8592

CSO: 4504/112

ECONOMIC WOES DISCUSSED

Cairo AL-JUMHURIYAH in Arabic 21 Nov 84 p 5

[Editorial by Muhammad al-Hayawan: "A Word of Affection"]

[Text] The British newspaper, THE DAILY MAIL, published a report on a group of Egyptians from the Fayid family. The report stated they were multimillionaires and that they had bought 29 percent of Harrod's stock. Harrod's is a well-known department store in Britain. Ashraf Marawan owns 5 percent of the store's stock, and the Queen of England owns 11 percent. Members of the British royal family buy all their clothing and jewelry as well as supplies for their mansions from Harrod's.

A Lebanese magazine published a report on the mansions that are owned by Egyptians on the coast of Spain. It is estimated that about 1,000 such mansions and villas are owned by Egyptians. These have nothing to do with the 1,000 homes in Misr al-Jadidah.

We do not envy those people at all. But the important question [that must be asked is this]: Why did these people flee from Egypt with their funds? Why did they not buy property in Egypt? Why did they not invest their millions in Egypt? Wouldn't it have been more appropriate for us to open doors for them instead of chasing them away and making some of them prefer the shores of Spain to those of Egypt? Wouldn't it have been more appropriate for us to open doors for them instead of making some of them prefer investing in Switzerland and in Britain to investing in Egypt?

I believe the only answer to this question is that the matter requires confidence. Capital must have confidence even before it has laws. All the statements that are made by officials inspire confidence, but the conduct of executive leaders destroys that confidence. Senior officials welcome businessmen; they open their hearts to them even before they open doors for them; they offer them easy terms; they meet with them; they hear what they have to say; and they make observations. However, because junior officials do not want any investments made in Egypt and because they do in fact resist such investments, none of this is translated into decisions that inspire confidence.

The economic climate in Egypt has been marred by some suspicion. Confidence has been abused, and the atmosphere has been ruined. It's being said that people who

commit illegal acts left nothing for law-abiding citizens. That is one point. The second point is that some people do not want anyone to become wealthy. They want some of that wealth even before it is earned. They want to take what they think is their share even before production begins. The third point is the red tape. We have been trying to use red tape to protect Egypt, but this red tape will ultimately choke the country. This is like the case of a mother who holds her infant close to her chest to protect him. As she presses him closer to her chest, he suffocates. It is a complex question.

To start all over again, we must believe that thieves will not spoil the economic liberalization, and we must believe that 10 bankrupt firms will not close the doors to economic freedom. We must give people confidence regardless of the price, and we must realize that a multiplicity of economic decrees undermines confidence and the mere existence of a socialist prosecutor threatens that confidence.

8592

CSO: 4504/112

EGYPT

WORK PERMIT ISSUE EXPLORED

Cairo AL-JUMHURIYAH in Arabic 28 Nov 84 p 12

[Editorial by Muhsin Muhammad: "From the Heart"]

[Text] Both the lack of discipline and discipline too are causing the problem that Egyptians working in Arab countries are facing these days.

The story began in 1958 when the work permit law went into effect.

However,

At that time the government was not interested in enforcing the law. The economic crisis that had developed in the aftermath of the 1956 tripartite aggression forced officials to forego adhering to the letter of the law and to allow Egyptians working abroad to travel back and forth. Besides, the number of those Egyptians was small, and that made strict controls and enforcement of the law unnecessary.

Then discipline came into play, and retroactive enforcement of the law was a must.

Many people linked the law on the development of resources with the work permit law, maintaining that both laws were designed to allow the state to receive the revenues it is entitled to receive from workers who have been bending Egyptian law.

It is the right of the state--in fact, it is its basic duty--to protect its resources. National duty also requires every citizen to give the state its due.

Egyptians working abroad, however, have some excuse. They have not been paying the state what they owe it for 16 consecutive years. Asking them to pay these fees in one lump sum may force them to cancel their vacations in Egypt out of fear that a claim for mandatory payment will be made and that it may delay their return to their places of business.

On the other hand, those people are transferring funds to Egypt that we now depend on to balance our balance of payments and to finance many of the purchases we need, whether we liberalize our application of import laws without currency conversion or restrict our application of those laws.

Therefore, we must exercise care to ensure that remittances from Egyptians working abroad continue and to ensure at the same time that the law is being enforced.

I believe there are many terms stipulated in the law that may be used. Taxes may be paid in annual installments, and fees for work permits may also be paid in annual installments.

In applying laws to Egyptians working abroad, we must realize that these Egyptians are suffering and that many of them were unable to find suitable employment in Egypt. We must realize that some of them were harassed in their places of employment and were therefore forced to emigrate temporarily or permanently. The fact that all these people are holding on to their Egyptian citizenship as well as another citizenship they acquired proves their commitment to the country.

Material evidence is not required to prove the affection these people have for Egypt. [Furthermore], the evidence does not have to be retroactive and sudden.

8592

CSO: 4504/112

AGREEMENT SIGNED WITH MALTA

Valletta JAMAHIRIYA MAIL in English 24 Nov 84 pp 1, 6

[Text]

•THE Leader returned to the Jamahiriya after a 3-day visit to Malta at the end of which a treaty of friendship and co-operation was signed between the Socialist People's Libyan Arab Jamahiriya and the Republic of Malta.

This treaty, which is considered to be the embodiment of the close relations between the two friendly countries, contained in its prelude the expression of the two sides to keep friendly ties and the strategic relations existing between them; and their commitment to the development of the relations of joint cooperation for the good of the Libyan Arab people and the Maltese people.

The introduction pointed out to the decision of the people and the Government of Malta to remove the effect of the damaging and humiliation role the foreign bases play and make Malta a bridge of friendship joining Europe and North Africa.

Also the introduction of the treaty confirmed the two countries wish to turn the Mediterranean Sea into a lake of peace. In the first article of the treaty, the Jamahiriya and Malta promised not to participate

in any military alliance which may harm the security interest of the other side.

Malta, in the second article, committed itself not to allow any foreign military bases to be built on its soil and the prevention of the use of its territories against the Jamahiriya.

The Jamahiriya, in the third article, promised to respect and support Malta's neutrality and its commitment to help Malta, if Malta asked for help, when it is exposed to or threatened by aggression.

Articles 4, 5 and 6 of the treaty dealt with the development of economic co-operation in joint projects, trade exchange, the use of manpower, information, culture and coordination in economic, political, security and international matters.

These articles also dealt with the signing of agreements and treaties in defence, information and economic fields.

The two signatories, according to the seventh article, committed themselves to exert all possible efforts to coordinate action for the sake of international peace and security, especially in the Mediterranean Sea region, and

emphasise their commitment to the principles and aims of the United Nations and the non-alignment movement.

The two sides agreed, in the second article, to form a joint committee that will meet alternatively every six months at least to follow up cooperation.

The treaty's text, in its other articles, included the methods of resolving differences which may arise from the interpretation of the texts of the treaty, its duration and its application and execution.

STATEMENT

A Libyan Arab-Maltese joint statement on the visit by the Leader of the Revolution to the Republic of Malta was issued in Tripoli and Valletta. The following is its text:

"In response to an invitation by the President of the Republic of Malta, Agatha Barbara and the Prime Minister Dom Mintoff Colonel Muammar Qathafi, Leader of the Great First of September Revolution went on an official and friendly visit to Malta between 23-25 Safar 1394 after the death of

the Prophet, 17-19 of November 1984, where he was received by a warm official and popular reception, reflecting the strong ties between the two countries and the geographic and historical links between the Arab nation and the friendly Maltese people.

"During the visit official talks were held between the leaders of the two countries in an atmosphere of friendship and understanding. The talks focused on bilateral relations and exchanged views on the international present situation with particular reference to the situation in the Mediterranean region.

"Concerning bilateral relations, the two sides expressed satisfaction with the level of friendship, cooperation and solidarity between the two countries in all fields in a way that serves mutual basic interests. The Libyan Arab side expressed its appreciation for the achievements in the Republic of Malta under the leadership of the Labour Party in developing the country, strengthening the economy, reaffirming Malta's non-alignment and keeping her free from domination by international blocs and alliances.

"The Maltese side expressed its appreciation for support and assistance by the Libyan Arab people to the Maltese people in all fields.

"During the visit a treaty of friendship and cooperation between the two countries was signed, a significant step in strengthening friendship and in promoting cooperation between them.

"The two sides expressed their determination to preserve the strong relations between the two countries at all levels and to utilise all

methods to strengthen ties of friendship and cooperation between the two friendly peoples.

"The two sides confirmed their permanent belief in non-alignment movement and also in the United Nations Organisation, as members in it.

"The two sides also confirmed their commitment to principles and goals aiming to liberate peoples from all forms of colonialism, to promote friendly relations for the sake of achieving mutual interests among all countries, to reduce international tension, to disarmament, to strengthening regional cooperation and to support efforts aiming at advancement of developing countries.

"Concerning the issue of the Mediterranean Sea's peace and security, the two sides reaffirmed the necessity of its non-alignment and the necessity to save the region from the danger of nuclear terror and fear represented by alien fleets and bases.

"In this respect, the two sides expressed their deep concern about the presence of nuclear weapons in the Mediterranean and the deployment of missiles to Comiso, Sicily and they also expressed their deep concern about the USA's repeated provocations, and violations of the Jamahiriya's sovereignty and territories, thus causing danger to world's peace and security.

"The Maltese side, once again, reaffirmed its support of the Jamahiriya in her efforts to resist different types of pressure and provocation.

"The two sides expressed their deep satisfaction about the positive results of the conference of Foreign Ministers of Mediterranean littoral countries held for the first time in Valletta between 10-11 September 1984, as a

milestone in efforts aiming at turning the Mediterranean into a region of peace, security and cooperation. They agreed that the results of September meeting should be preserved through future meetings on regional and international levels. In this respect, the two sides suggest the holding of a meeting for the Mediterranean non-allied countries at the level of experts during the first half of 1985 for the sake of studying the issues relating to the security and peace of the Mediterranean Sea region.

"The Libyan Arab side expressed its support to the suggestions on the security of the Mediterranean put forward by Malta during the Stockholm meetings on European disarmament and expressed its hope that these suggestions will be met with serious and positive response from the concerned parties.

The two sides reaffirmed the right of the Libyan Arab people to an adequate compensation for the damage of the fascist war and other wars that took place on its land and also reaffirmed Britain's legal and moral responsibility to take urgent and effective measures to clear the Maltese ports from bombs and war relics that are still threatening the essential projects of development in Malta.

"The Maltese side expressed its welcome to the Arab-African union between the Jamahiriya and the Kingdom of Morocco, as a significant step towards promoting cooperation and strengthening relations.

"They also expressed their support to the Organisation of African Unity's initiative to solve the Chadian problem and to achieve Chadian national reconciliation in accordance with the Lagos agreement of 1979.

"The two sides confirmed their unlimited support and assistance to the armed struggle of the Palestinian people to liberate all their territory and to return to their land and they strongly denounce the attempts of liquidation and solution of surrender in the area.

"The two sides stressed their support to the peoples under the yoke of colonialism and domination, particularly the people of South Africa and they denounce the policy of racial discrimination.

•EFFORTS

"The two sides called for intensifying efforts to promote the efficiency of the United Nations Organisation by amending its charter and cancelling the right of veto so as to implement the principle of justice and equality among all countries.

"The two sides expressed their concern about the economic and political mea-

sures by the industrial countries which led to the increase of the gap between the north and the south and to more deterioration in the international situation.

"The two sides exchanged views on Arab-European co-operation and agreed on the necessity of its promotion in a way that would contribute to the prosperity of the region and would facilitate the establishment of effective cooperation among its peoples in the framework of mutual respect and interest.

"The two sides expressed their satisfaction about the outcome of the visit, which is a major step in strengthening relations between the two friendly peoples and the peoples of the whole area.

"The Libyan Arab side expressed its deep satisfaction and gratitude to the warm welcome they received from the peoples and the Government of Malta. Colonel Muammar Qathafi, Leader of the First of September Revolution has extended an invitation to the President of the Republic Agatha Barbara and the Prime Minister Dom Mintoff to visit the Jamahiriya. They accepted the invitation with gratitude, its date will be appointed later."

CSO: 4500/29

PAY RAISED FOR CABINET, KNESSET MEMBERS

Tel Aviv MA'ARIV in Hebrew 16 Oct 84 pp 1, 11

[Text] Elected officials--ministers, their deputies, MK's and chairmen--will receive a salary increase this month of 120 percent. The president's salary will go up 85 percent this month and judges will receive 60-70 percent increases.

These drastic raises for public officials are the result of the fact that their salaries are linked to the average salary in the marketplace. The salaries of ministers, MK's and chairmen are adjusted twice annually (in April and October), while judges' salaries are adjusted four times a year. Elected officials also receive a monthly cost of living increase, a common practice in the Israeli economy. The following changes are expected this month:

The prime minister and Knesset chairman will receive gross salaries of approximately one million shekels this month. This is a 130 percent increase as compared with last month's salary. Government ministers and those attached to them--the state comptroller and the Bank of Israel director--will receive a 122 percent increase this month; their salaries will now reach 933,000 shekels --3.4 times the average salary in the marketplace.

MK's, deputy ministers and general managers of government offices will receive salary increases this month of 118 percent, making their salaries 875,000 shekels, 3.2 times the market average.

The president's salary will go up 85 percent this month, to 614,000 shekels. The president is exempt from paying income tax, so this figure represents his net monthly income.

Judges' salaries are higher. The president of the Supreme Court is the highest paid public employee in the country; his salary for the month of October will be 1.72 million shekels. (The judges' salaries quoted here include seniority increases compounded over 25 years.)

Supreme Court justices, chief rabbis and the chief of staff will be paid gross salaries of 1.57 million shekels this month; district judges 1.2 million; circuit court judges 1 million, like the prime minister's salary.

9811

CSO: 4423/4

CITY STATUS FOR UMM EL FAHM PROMISED

Tel Aviv HA'ARETZ in Hebrew 17 Oct 84 p 4

[Text] In yesterday's meeting between Minister Ezer Weitzman and the head of the Umm El Fahm local council, Hassam Hamad, Minister Weitzman promised to accelerate the process of changing Umm El Fahm's status to that of a city.

Weitzman, head of the Arab sector in the Prime Minister's Office, submitted a recommendation in this spirit to Prime Minister Shimon Peres, who is now also filling the position of Minister of the Interior.

The Prime Minister accepted the proposal and in a meeting today clarified that the procedure for changing Umm El Fahm's status would be completed as quickly as possible.

Umm El Fahm's council head expressed his satisfaction with the decision. A HA'ARETZ correspondent in the Galilee reported that Umm El Fahm is the first Arab settlement in the country to receive this status. To date, there are only two Arab cities in Israel, Nazareth and Shefar'am.

Umm El Fahm's council members, it was also reported, renewed their strike yesterday after no solution was found for the council's financial problems. The employees were not paid salaries for the month of September and savings funds to which they are entitled were not transferred to their accounts.

The central council committee representative claimed that last week they were willing to end the strike even before their demands were met, but now they were prepared to return to work only after the promises made to them in the past had been honored. High school students in Umm El Fahm have been out of school for a week because the teachers decided to go on strike, too.

The head of the council is currently conducting serious negotiations with the ministry of the interior's regional supervisor to get the government funds to which the municipality is entitled.

9811

CSO: 4423/4

NO DEPUTIES YET FOR FOREIGN, DEFENSE MINISTRIES

Tel Aviv HA'ARETZ in Hebrew 21 Oct 84 p 3

[Text] The appointment of deputies for the foreign and defense ministries will be delayed indefinitely--according to the decision reached in negotiations with Acting Prime Minister and Foreign Minister Yitzhak Shamir. Shamir's close associates reported that the decision stemmed from political considerations and new demands being made by the new religious party and their push to appoint deputy ministers from within their ranks.

Herut treasurer Etan Levani will announce his resignation today, charging that "I cannot function under current conditions." Herut leaders will meet today on Shamir's initiative to discuss party and national issues.

Shamir's decision not to appoint MK's Roni Milo and Mikha'el Deqel as deputy ministers at this stage was received with surprise by people within Herut and has been interpreted as an attempt by Shamir to quiet rumors within Herut and to prevent ministers David Levi and Ari'el Sharon from exploiting their claim that Shamir is trying to force his supporters on the party. Close associates of Shamir said yesterday that apparently Milo and Deqel could not be appointed at this time because of the new religious party's demands and their push to appoint deputy ministers--which would be frustrated if Milo and Deqel were appointed deputy foreign and defense ministers. The same sources said that if these demands were met, there would be 20 deputy ministers in the government, an impossible situation.

As for the Herut treasurer's resignation, Levani has been complaining for some time that he was unable to obtain cooperation from within his own party. But in a conversation with HA'ARETZ, he said that he cannot work in the atmosphere prevailing in the party today. He denied that his decision was related to the fact that he had not been elected a member of the Knesset. In answer to another question, he said that there is no connection between his resignation and the debts built up by the Likud during the election campaign, and that he will continue in his capacity of Likud treasurer.

9811

CSO: 4423/4

BRIEFS

SOUTH LEBANON PRISON CAMPS--Israel admitted for the first time recently the existence of two detention camps for prisoners in southern Lebanon, one in the town of Nabatiyah and one near Mar Ilyas in the Sidon area. Their existence was made known to the International Red Cross, which received permission to visit the camps, under certain conditions. During discussions between representatives of Israel and the Red Cross, it was agreed that representatives of this international organization would be allowed to visit each detention camp once a week. At the camp, they will be allowed to visit anyone who has been detained more than 30 days. Meetings with prisoners will be conducted on a one to one basis--without the presence of a third party, including the IDF. When the agreement was reached regarding visits to these camps, the Red Cross was given a list of prisoners in the camps, their addresses and the accusations against them. [Text] [Tel Aviv MA'ARIV in Hebrew 21 Oct 84 p 1] 9811

CSO: 4423/4

KARAMI, AL-JUMAYYIL FACE NEW PRESSURES FROM OPPONENTS

London AL-HAWADITH in Arabic No 1459, 19 Oct 84 pp 11-12

[Article by Amin al-Siba'i: "Peres Carries Out Ben Gurion's Will in Lebanon; Limited Military Concessions To Contain Decentralized Security"]

[Text] Prime Minister Rashid Karami's government is facing in the current phase parliamentary pressures led by a number of prominent parliamentarians to present immediately to the Chamber of Deputies a full statement of account on the security situation in the past, the present and the future.

These pressures are aimed in the direction of the president of the republic, not to embarrass the regime but to offer advice on the importance of the submission of such a statement of account so that it may be discussed and so that the Chamber of Deputies may participate in the amendments which the regime is said to be planning to introduce to the security provisions that have been in application for several months.

In the ongoing contacts concerning this aspect, the government leaders have been told that there is a state of anxiety internally and in a number of Arab states and other states whose fingers have been burnt by the fire of the Lebanese tragedy concerning whether it is possible that the state of confusion may persist in the troubled security labyrinths, that the flood of chaos may gush over all the dams that have been built since formation of the cabinet and that everything that the regime has been able to establish since the Damascus agreement may collapse.

It has also been said that security in Beirut is suffering from numerous gaps added to the gaps existing in the Beirut suburbs on four sides--[gaps emerging] in the wake of the repeated Israeli military boats' infiltration into areas close to the coastline of al-Rawshah, al-Awza'i and Khaldah--and the gaps present in the mountain and the coastal highway from Sidon to Tripoli, not to mention the mines in Suq al-Gharb, al-Kharrub District, Tripoli and other places. There are, moreover, the more dangerous mines planted by Israel in the south, Western al-Biq'a and Rashayya.

In light of this situation, the political leaderships have deemed that the payments due to be made by Karami's cabinet are big payments that merit a field and parliamentary study conducted by the Council of Ministers and the Chamber

of Deputies in order to agree on the modifications that must be introduced and then approved in order to enhance the capability of confrontation.

The Chamber of Deputies' elections have been considered a main point at which the cabinet must pause and must then proceed after these elections to approve a new formula of cooperation with the Chamber on the basis of an objective link between the security plans and the political plans in whose formulation and determination the Chamber of Deputies will play the main role, especially in terms of agreement on some essential amendments in the provisions of the constitution and of the legislative decrees.

Within the framework of these consultations, a plan has been proposed to tackle the next phase. This plan begins by summoning the Chamber of Deputies to convene in closed sessions whose secrecy is dictated by the public interest, with the government submitting at the outset of the sessions a detailed statement explaining the phases through which the security plans have passed and the obstacles impeding their progress and also explaining the outcome of the talks held by Prime Minister Karami and Minister Nabih Dirri in New York and the official projection of the future of the south, Western al-Biqa' and Rashayya in light of the conflicting international and regional statements about the Israeli withdrawal.

It is enough for the cabinet to provide these details to the Chamber of Deputies in order to set aright--in the view of those seeking the "parliamentary conclaves" plan--the practices that give or restore to the constitutional institutions their role in choosing the right paths for the settlement.

In principle, the officials have no objection to this sort of cooperation with and participation by the Chamber of Deputies.

Upon his return from New York last week, Prime Minister Rashid Karami said that his government shares with the Lebanese, not just with the deputies or the ministers, the information at its disposal, except for information that may lead to impeding the settlement plans. Therefore, he does not see, in the light of this situation, the presence of any barriers that prevent submitting the statement of account to the Council of Ministers at the right time. The right time is very imminent because the government feels that it has numerous issues that need to be discussed and decided.

An internal political report says that Beirut's security--and the developments have proven the enormous dimensions of the link between this security and the south's security--is approaching a phase of reexamination in order to correct its courses in the next 2 months.

The report also says that the security of the capital and of its suburbs has been exposed to field dangers that have almost foiled the security plan drawn up by the Council of Ministers upon its formation because those harmed by the settlement plan have been able to diminish the Lebanese wager on this plan in closely-interspersed periods.

The attempt to assassinate ex-Prime Minister Salim al-Huss, the burning of the Saudi Embassy, the blowing up of the U.S. Embassy in East Beirut and the sporadic or limited clashes and incidents here and there are important signals on this path and have constituted enough reason to reexamine Beirut's security.

Consultations and discussions have been held with several Arab countries on this security issue, in addition to consultations and discussions with friendly countries, one of whom warned Lebanon of an international, and perhaps, Arab accord that may materialize at any time--an accord that considers Beirut a closed city diplomatically unless all the elements of the security threat to the non-Lebanese institutions, firms and embassies are eliminated.

In these consultations, a number of solutions have been projected, calling for modification of the security plan before the end of this year and for establishing an understanding with the armed factions on the provisions of this modification so that Israel may not use the growing size of the armed forces in the capital, especially the Palestinians, as a pretext to screen whatever military operations it may carry out against Beirut's suburbs.

The U.S.-Israeli talks on Israel's security have revealed that there is some sort of threat of the imminent resumption of raids by the Israeli air force and military boats against specific areas and streets in Beirut under the pretext of the preventive protection of Israel from the armed forces operating against its security.

These talks and dangers have focused on the [southern] suburb. In West Beirut, some Lebanese diplomats who have followed the New York and Washington talks are aware of their importance in providing the cover Israel needs for its military operations.

The security modifications which the government wants and on which it is consulting with Syria give the legitimate government greater freedom to move and to impose on all the armed leaderships [of the political factions] a degree of abidance by what the Council of Ministers decides.

It is concluded from the ongoing political and military discussions that there is what might be called a new security plan for Beirut and its suburbs.

This draft plan contains several major provisions which Syria and Lebanon are determined to implement to the maximum.

These provisions include the achievement of an essential and vital accord in the Council of Ministers and in closed meetings at the presidential palace, the government house and the Ministry of Defense between all the armed factions--an accord to place both sections of the city of Beirut and Beirut's suburbs under the control of joint brigades of the legitimate army and of the internal and public security forces, to secure the withdrawal of the militias, and not just of the weapons they carry, from all the internal quarters and streets and to implement the articles usually applied in the state of war and of emergencies to any individual swerving from this decision.

It is evident how much in agreement are the officials in Beirut and Damascus on cooperating to impose this modification within the official formula agreed upon through the concerted contacts which took place last week and from which

it is understood that an agreement will shortly be put into implementation to remove the radical armed elements that do not want to submit to any settlement in all arenas, even if this removal is carried out with a government force that permits itself the freedom of applying whatever it deems fit to achieve this goal at the right time.

A prominent religious authority in Beirut has said that removing the radicals by way of the security solution is legitimate if applied in all directions and without any exception and that the spiritual leaders have succeeded repeatedly, and before the exhibitionary cabinet conclaves, to put it in his words, in reducing the field influence of the adventurers. These leaders will resume their role of salvation far from the Bikfayya retreats because they see on the horizon the clear signs of a return to nurturing the game of sectarian conflicts.

The plan to "purge" Beirut and its suburbs of the impurities of the previous experience is encountering several obstacles, including the continued disagreement within the Council of Ministers over the details of the security and political solutions.

Some opposition ministers insist that it is necessary to turn quickly to the fundamental political settlement in which they see an inlet to entrenching what is approved at the security level.

These ministers acknowledge the continued presence of the obstacles that impede the progress of the security solution and attach special importance to coordination with Damascus. But they also believe that unless the Council of Ministers achieve in the future conclaves, if they are resumed, a clear base for the security agreement in less than 2 months, the plan to control security in Beirut and its suburbs will be subject to the will of those who do not want the state to establish its control.

These ministers link the situation in the south as sought by Israel with the situation in Beirut and its suburbs and warn of a new attempt to reshuffle the cards and they are preparing to present a new projection for establishing security on the basis of a clear political equation fit to be discussed by the Council of Ministers and in the parliamentary committees before the period of the new year holidays, according to the farthest estimate.

The significant changes made in the commands of some armed organizations last week have encouraged those advocating the advanced security plans for Beirut and its suburbs to speed up their formulation of the legitimate [security] plans.

One of the ministers who warn of the delicate nature of the coming phase has said in his private conversations that relatively important and positive transformations have begun to impose their influence on the decision makers.

This minister has said that these changes include the success of the current close to the legitimate government in the election of the Phalangist Militia commands. Fu'ad Abu Nadir's replacement of others in the Lebanese Forces' command will produce other important changes that bolster the line led by President Amin al-Jumayyil.

The information at the disposal of the said minister permits us to say that the change that has taken place in the Lebanese Forces' command is linked to an objective visualization of a security plan whose initial phases are being discussed now, which includes the security of Beirut and its suburbs, which opens the dossier of the mountain security, of the Beirut-Damascus highway and of the kidnapped and evicted and which paves the way for opening in the future the difficult dossiers that include the dossier of the private broadcasting stations and of the illegal ports that are open to smuggling and to the arms trade.

This change is countered by other changes in the circles of the armed organizations confronting the Lebanese Forces. These changes include a number of party decisions of the post of secretary general and to entrust the responsibilities of this post to Anwar Fatayiri who has been transferred from the post of general mobilization commissioner, the decision to appoint the Popular Army commander to Fatayiri's post and to entrust this army's command to Raja Harb, one of the officers of the Hammana Baracks who joined Junblatt's forces in the wake of the Western al-Shahhar battle.

It might be wrong to believe that this kind of party decisions is tantamount to a change in positions and tendencies because such a belief allows for adopting faulty interpretations of party positions that do not flow into directions of which those doing the interpreting think. But this caution in interpretation does not abolish the significance of the changes taking place in the military commands here and there and the significance of the results that may be produced by these changes at the level of the security and political settlement plans.

The interest in this kind of change intensifies when it is revealed that they are linked to meetings and consultations taking place in Beirut and Damascus, with military visits made by the representatives of the various factions to Damascus for the purpose of discussion and coordination and with general information alluding to proposals being studied to turn a new security page in Beirut and the mountain.

This page contains some sort of an agreement on a number of military pullbacks to be made by the factions in Beirut in the interest of a security plan whose implementation will be supervised by joint military brigades of the legitimate government and to be followed by temporary agreements that put the Beirut-Tripoli highway under the control of the legitimate government while keeping the areas overlooking this highway under the control of those now controlling them, then opening the Beirut-Shtawrah highway on the same terms and then subjecting the Beirut-Sidon highway to the same situation after some limited withdrawals are made, such as withdrawal of the Lebanese Forces from the Beirut-'al-Kharrub District line, and with postponement of the subsequent phases that include the security of the mountain districts and of the coastal areas.

These new-old arrangements face the same obstacles that impeded the mountain plan several months ago. Minister Walid Junblatt, for example, sees no jurisdiction for foresaking the security of the Druze areas to anybody other than the legitimate Hammana brigade and he will not feel comfortable with the Suq al-Gharb gap until the existing facts on the field change. He rejects at the

same time the policy of scalding the phases and the accusations of partition and cantonization. On their part, the Lebanese Forces do not approve of the alternative security plans for their security unless the structure of the political solution is completed. The other armed pockets, such as the pocket of Samir Ja'ja', reject what the others decide and project their viewpoints which harbor the seeds of the determination to reject what the legitimate government chooses and what the parties agree on.

Many officials and politicians fear that this kind of obstacle will lead to the collapse of the previous links of the aforementioned security plan. These people also fear entrenchment of the decentralized security which Israel is seeking by clinging to Antoine Lahd's army in the south. The Israeli insistence on the presence of this army is what led to obstructing the mission of Rashid Karami and of Nabih Birri in New York and to increased fears in Lebanon of a sudden partial Israeli withdrawal that may bring back to the lips of the Lebanese the bitter experience of the Israeli withdrawal from the mountain last year.

Soviet information transmitted to Beirut and Damascus last week strengthens these fears. This information says in part that Israel does not plan to withdraw from the south and that it has practically decided, through an understanding with the United States on the basis of the strategic cooperation agreement whose provisions have been developed in secret talks lasting 6 months, to stay in South Lebanon and to pull back only in exhibitionary propaganda moves toward some sites far from the course of the al-Awwali River and Jazzin area.

The Soviets and the Syrians agree on expecting a phase of military confrontations which Israel may develop into a war with Syria if it cannot get from the UN Security Council a resolution to build up the number and increase the powers of the UN forces stationed in South Lebanon so that they may act as a buffer between the Israeli army and the Syrian army in al-Biq'a', with Israel thus gaining the opportunity to negotiate with Lebanon, even if militarily, in order to impose the security formula of the Army of South Lebanon on the occupied territories, to keep the tributaries of al-Litani River within the sphere of Israeli utilization and to transform the decentralized security formula into a permanent rule in Lebanon so as to prepare for political decentralism at a later phase, should some withdrawals take place.

The Soviets cite in this regard what happened in the French-British-Soviet negotiations on the eve of the Suez war in 1956 for a reminder about the policy of the Israeli Labor Party, which is the ruling party at present, toward Lebanon. The facts of those secret negotiations say that Ben Gurion, the prime minister of the first Israeli Labor government, surprised the French with a plan to partition the Middle East, beginning with the elimination of 'Abd-al-Nasir, partitioning the West Bank, annexing Jordan to Iraq, stripping away a part of South Lebanon's territories and annexing it to Israel, giving other parts to Syria and turning the rest into a Christian state.

The Lebanese Government is now trying to swim against all these currents, of whose strength it is aware, by exerting efforts in several directions: the security direction in Beirut, the mountain and the coastal line, the political direction seeking to reduce the role of the illegal forces in the interest of a new political charter and the direction seeking to oust Israel and to impose in the occupied territories a political and security system free of the bitter experience of the mountain, of the dangers of security and political decentralization and of the old plans of the Israeli Labor Party.

TAQI-AL-DIN AL-SULH DISCUSSES MISSION IN SAUDI ARABIA

London AL-HAWADITH in Arabic No 1459, 19 Oct 84 pp 13-14

[Interview with Ex-Prime Minister Taqi-al-Din al-Sulh by Sultan 'Abdallah: "Al-Sulh Brings Good News of Return of Saudi Embassy in Wake of Security; Arab Countries Support Resistance in South"; date and place not specified]

[Text] Before returning to Beirut and upon completing the mission he was entrusted to carry out in Saudi Arabia by President Amin al-Jumayyil who gave him a message to King Fahd ibn 'Abd-al-'Aziz, AL-HAWADITH conducted an interview with ex-Prime Minister al-Sulh who has said that the Lebanese president's message pertains to the incidents to which the kingdom's embassy in Beirut was exposed and the means to clear the air between the two countries, especially since the kingdom has been advancing constant aid to Lebanon and the Lebanese without holding them obliged. He also said: "I wish what happened had not happened, especially since the kingdom's position toward Lebanon and its assistance for Lebanon to overcome this crisis are well known."

[Question] Have you discussed the issue of reopening the embassy with King Fahd?

[Answer] This in itself is not a goal. But it is an important indicator, first in terms of the strength of the relations and of restoring them to a tranquil climate and, second, in terms of exerting intensified efforts to restore relative security to Lebanon so that the embassies may be able to settle in Beirut. King Fahd is concerned with Lebanon's affairs, shares the Lebanese people's pains and exerts his efforts and the kingdom's capabilities to alleviate this pain.

As for opening the embassy or the return of the diplomats, this presence will come with a definite security guarantee. When these conditions are present, it is inevitable that the diplomats will return and the embassy will be opened. As for the Lebanese, we will insure the security of our brothers, the embassy members.

[Question] Do you think that the Lebanese Government possesses at present the ability to safeguard and protect diplomats in Lebanon?

[Answer] After 10 years of a war in which numerous factors, currents and tributaries have become mingled, and not all of them internal of course, we do not

say that security has stabilized finally and that nobody will be exposed to anything [dangerous] in Beirut. We are not giving full assurances that we live under the canopy of firm and final stability and security. Numerous embassies, not just the kingdom's embassy, have been subjected to incidents, the latest being the U.S. Embassy, which was exposed to an explosion in East Beirut to which the Americans had moved out of the belief that security is stronger and more guaranteed there. But the events have fully disproved this.

However, there have to be risks and all dangers have to be endured under the canopy of the existing conditions. I say that even secure and stable countries experience acts of explosion and destruction. We see this in numerous capitals, both eastern and western. We have not achieved full and stable security yet. But we believe that our cooperation with our brothers abroad, especially with the kingdom, helps and assists in strengthening and entrenching the mainstays of security and strengthens the Lebanese to fight evil.

[Question] Since the onset of the Lebanese crisis in 1975, the parties to the conflict have been in disagreement over the priority of the issues and problems connected with solving the crisis. There are those who demand that the security solution be given priority over the political solution and others who demand the opposite. What is your opinion, Excellency, and where does the priority lie?

[Answer] For the parties to be able to discuss matters, there has to be security under whose canopy these parties live and we must provide this security to every Lebanese. Numerous problems which were the cause for the troubled security and for the eruption of these events have to be solved. Tension, of course, helps disrupt security. Therefore, security comes first. However, it must be accompanied by action for political solutions, otherwise security will be exposed to a setback if some political issues become troubled.

The area is living under a deep and provocative conflict whose source is the Israeli presence. I am one of those who believe that this presence is what constantly exposes this area to troubles for the slightest reason. The main causes for the troubles lie in the tension-charged atmosphere which the Israeli presence creates in the area. Lebanon also has causes for conflict and troubles. But these troubles would not have erupted in this manner if it were not for the presence of Israel, which alone benefits from this situation in implementing its plots to destroy all the Arab forces. We believe that efforts must be made to renounce division and sedition. We must exert efforts for this end. Lebanon has, as you know, limited military forces. This is why the government has begun to exert efforts and follow [numerous] channels to deal with the fundamental and sensitive issues. If these issues were not considerably difficult, there would be no ministerial meetings and retreats.

[Question] Many agree with you that the presence of Israel is a main reason for the occurrence of what we currently see in the Lebanese arena. But how can the presence of a special relationship between Israel and some Lebanese parties be explained?

[Answer] Those who have special relations with Israel are two groups: The first is a lackey group and the second is misguided because it believes that Israel can serve it. But this second group has found out that Israel serves only itself. I believe that this group's mistakes will be eliminated.

[Question] Now that the 17 May accord has been abolished, do you think that the Syrian option will succeed in achieving rapprochement and unifying the Lebanese positions and, consequently, in restoring security and stability to Lebanon?

[Answer] The Syrian option means choosing those whom you are with and those whom you are against. We are Arabs and Syria is Arab. We are a single homeland. This is fate and inevitable destiny and we support and bolster it. Those who do not know the historical reality of the area and of those who live in it believe that there were two scales of the balance: a Syrian scale and an Israeli scale. This is flagrant ignorance, as evidenced by the fact that the 17 May accord has been carried away by the wind. The alternative is resistance, which is receiving support from all the Arab countries, particularly from Syria. It is a Lebanese resistance in the south and in Western al-Biqa' where Israel is present. It is a national resistance, and everybody familiar with its details attests to this. It is regrettable that it does not receive from the western media the attention it deserves. It is a heroic resistance that signifies the heroism and patriotism of the Lebanese people and of the inhabitants of the south and of the occupied territories.

[Question] The question concerns the possibility of the success of the Syrian option.

[Answer] Syria is helping Lebanon to establish its security so that it may overcome its problems quickly. In our conflicts and disputes, we the Lebanese have cooperated with foreign hands and made it easy for them to exploit us. The truth is that the Arab brothers have, to a degree, been among the reasons for the prolonged continuation of these bad conditions. They have transferred their conflicts to Lebanon, which became the arena for liquidating these conflicts. Recently, we embarked on a new phase, namely the phase of security. Syria has actually thrown all its weight behind successfully ending the war. The war has stopped but the acts of detonation, explosion and assassination have not stopped. But such acts occur everywhere.

As to whether Syria can finally insure broader and more comprehensive stability and security, this is not certain because there are still hostile fingers that are tampering, especially Israel and its agents in the south. When they withdrew from the mountain, they left the reasons for sedition behind them. Now, we fear that they will put the south in a similar climate. We are exerting efforts to spare the south and al-Biqa' any security gaps because there are hostile objectives seeking to partition Lebanon and to strip away a part of it. All this falls within the framework of the Israeli plotting to create a climate that helps the acceptance of this situation in Lebanese circles. When the Lebanese reach such a situation, they may accept any conditions. Even though 10 years have passed since the start of the war in which the Lebanese have been subjected to tragedies, destruction, devastation and death, they still believe in the unity of their soil and their people. Today, they are in a situation

about which the least that can be said is that it is a continuation of the spirit of patriotism. Israel is compelled, because of internal reasons from which it suffers, to withdraw from Lebanon. Israel will not do this out of respect for the rights of an independent state like Lebanon nor out of respect for international laws but because Israel's internal situation and circumstances do not permit it to stay in Lebanon. On the other hand, Israel is facing a strong, active, growing and advanced resistance that is expanding daily. Israel is incurring loss of life among its troops and grave consequences to its forces as a result of the continued resistance.

[Question] Do you think that Murphy's recent visits to Beirut, Damascus and Tel Aviv may produce a new U.S. initiative concerning Lebanon?

[Answer] I believe that the United States has not made a new initiative in sending this representative (Murphy) front. Israel has reached an understanding with the Americans that American enter the line, either to do Israel a service or to take advantage of the situation. Murphy's visit is for this purpose. The U.S. administration is not prepared at present to embark on an initiative in Lebanon or in the Middle East. We know that the election date has approached and that with the elections, all efforts are frozen, especially since previous experience does not encourage the United States to return anew. We have asked, through the prime minister, the United States to come and help us. But we hope that its assistance will not be as in the past, i.e. to serve the ends of the United States.

[Question] When it was formed, the national unity cabinet revived optimism in the hearts. But this cabinet has not achieved what the Lebanese citizen had hoped from it and by the degree he had hoped for. What is your excellency's interpretation?

[Answer] We cannot conceal the facts. What you have said is not far from the truth. The members of which the cabinet is formed continue to be parties to solving the people's problems and issues. What is happening now is reflected on the cabinet. We hope that with a degree of openness and understanding, the cabinet will be able to focus on the bases that help overcome these difficulties.

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BACKGROUND OF ASSEMBLY SPEAKER SKETCHED

London AL-HAWADITH in Arabic No 1460, 26 Oct 84 pp 12-13

[Article by Amin al--Siba'i: "Speaker Who Is Looking for Lost Role; Al-Husayni First Horse in Change Toward Second Republic"]

[Text] Husayn al-Husayni, the Chamber of Deputies' speaker, carried in the briefcase which he took with him to Mansur Palace after being elected to replace ex-Speaker Kamil al-As'ad a complete plan to develop the legislative authority and to "reinstitute" Lebanon on the basis of a formula which can be said to be a substitute to the formula of the first republic which relied in 1943 on the National Charter.

The deputies have considered Speaker al-Husayni's eagerness to carry his constituent plan to the Chamber of Deputies in the first days of his speakership an axiomatic step upon which a politician like him--a politician who represents a reform line which he embodied with Imam Musa al-Sadr when they founded the Higher Shi'ite Islamic Council in the 1960's--would naturally embark.

But the deputies closely acquainted with Speaker al-Husayni know that his constituent plan for the second republic was formulated years before eruption of the Lebanon war in 1975 and that al-Husayni had tried to gain the Chamber speakership before that war so that he may put his plan before the legislative authority in the form of a number of bills.

In 1974, Speaker al-Husayni planned to compete with Speaker al-As'ad for the second presidency [Chamber speakership].

In that year and while attention focused on the arrangements for the competition--a competition which the political circumstances dictated at the time would end up in al-As'ad's continuation in the speakership--a number of politicians went to al-Husayni's residence in Ba'labakk and discussed with him, around the dinner table, in the presence of AL-HAWADITH, the background of his struggle with Kamil al-As'ad.

At the time, Speaker al-Husayni said a lot about the reasons for this struggle, adding that the reasons are connected with his aspiration and the aspiration of the line he represents for a new formula to end the formula of the existing system of government which is founded on two bases and to replace it by a system

founded on a fair national balance that abolishes the government of privileges and that safeguards the Lebanese structure from the dangers of destitution, injustice, factionalism and discrimination in the attention devoted to the provinces.

Speaker al-Husayni also said that at the personal level he was a friend of Speaker Kamil al-As'ad but that al-As'ad always viewed the Shi'ite sectarian structure from a special perspective and maintained a faulty viewpoint acknowledging the presence of four or five traditional families entitled to represent the Shi'ites whereas he, al-Husayni, believed that every Shi'ite represented, within the limits of his capabilities, the entire sect and, consequently, represented the principle which equates the underprivileged in Lebanon, regardless of what sect they belong to.

The tense relationship between Speaker al-Husayni and ex-Speaker al-As'ad has gone through various circumstances, most often characterized by estrangement, disagreement and political conflict. But this relationship has maintained a minimum degree of objectivity and dignity that has led in the past 2 years to some sort of political harmony over a number of specific issues raised for discussion in the Chamber of Deputies and in its committees.

Special information maintained by a small number of politicians says that Speaker al-Husayni had a major role, performed far from the limelight, in eliminating the danger of attacks on Speaker al-As'ad two successive times, that he has wished to keep to himself the details of what he did spontaneously at this level and that Speaker al-As'ad may be one of those who are not aware of this fact until the present.

Away from the details and background of the elections which ended on 16th October [1984] with Husayn al-Husayni winning the speakership and with ending al-As'ad's era which lasted from 1970 until this year, the opinions evaluating the outcome of these elections agree in stressing that al-Husayni represents practically the generation of the second republic and that he will be required, if the security conditions stabilize, to restructure Lebanon according to a formula that replaces the 1943 charter.

Within the framework of this concept and according to the information at the disposal of AL-HAWADITH, Speaker al-Husayni has worked for years in cooperation with a working team comprised of a number of advisers to prepare a dossier that contains the principles of the constituent plan which will be presented to the government and the parliament to be discussed and applied over the next year.

Speaker al-Husayni is currently making some modifications on his constituent dossier, as well as some changes into the team of advisers assisting him.

A comprehensive study of the contents of the dossier demonstrates that Speaker al-Husayni's view of Lebanon's future emanates from principles which he believes must reflect the convictions of all the sects.

His visualization of the provisions of the future reform bills reflects these convictions in accordance with lines which must rely on a national accord on fighting with all means to oust Israel from Lebanon without concessions, on uniting the land and the sects within a formula that is remote from all forms

of partition or cantonization, on rebuilding the constitutional institutions on the basis of a new constitution that takes into consideration without any discrimination the right of the Lebanese to live in a homeland that treats them as an individual citizen, on building an intrinsic force in which there is no place for sectarian considerations or privileges and on entrenching the fateful relationship with the Arab group, particularly with Syria, on foundations that eliminate the phases of tension and of abandonment which have been and which continue to be the most significant causes of the trials suffered by Lebanon.

In 1977, Speaker Husayn al-Husayni, along with Imam Musa al-Sadr and the members of the Legal and Executive Committees of the Higher Shi'ite Islamic Council, signed at the Council's headquarters the Shi'ite working paper on whose provisions the later reform plans to save Lebanon were founded.

In signing the paper, Speaker al-Husayni relied on a patriotic concept to the effect that in view of the devastation and the division caused by the catastrophe and the tribulation in the edifice, in man, in the state structure, in the national economy and in the bond of the Lebanese society and to counter the ideas being projected, it must be noted that regardless of what the causes of the tribulation are, regardless of the role of the foreign elements and of Israel, regardless of the role of the international left and right and of the internal, Arab and international issues, there is one constant over which there is no disagreement, namely that the Lebanese body has lost its immunity.

Speaker al-Husayni believes that the homeland in its profound sense is not just a specific area of land on which sects meet within provinces coexisting peacefully in some sort of caution, mutual envy and deception but that a homeland is primarily a climate of stability, reassurance, confidence in real fraternity, responsible freedom and ambition on the carpet of social justice within the framework of equal opportunities for all and of civilized respect for human dignity.

The dossier carried by Speaker al-Husayni contains a "constitution" for reform which he believes must be discussed with all the currents represented in the Chamber and in the government, with the constitutional preparation committees, with the parties and with the political, party and religious symbols in Lebanon within the framework of a working plan for whose implementation he will not wait until the occupation's role is ended.

The most significant points of this "constitution" call for renewing the faith in the single and united Lebanon as a final homeland, independent within its present borders, Arab in its environment, reality and destiny and committed totally to the Arab fateful causes, led by the Palestinian cause.

Speaker al-Husayni bases his visualization of the reform on concepts which he calls for approving during the parliamentary year that began in the current month of October. These concepts include the concept that Lebanon is a democratic parliamentary republic in which public liberties are respected. They also include the principle of separation of powers of social justice and equality and of programming the free economy and the concept that all this emanates from the essence of Lebanon's existence and entity, its historical message, its destiny and from the ambitions and future aspirations of its citizens.

Insofar as the details are concerned, the proposed special draft constitution includes principles that call for the abolition of political sectarianism, for adoption of the system of a general referendum on fateful issues, for the formation of a senate or a socio-economic council or both, and for amendment of the election law so as to turn all of Lebanon into a single election district in order that the deputy may truly represent the entire nation and that the sectarian barriers and the elements tearing apart the people and the homeland may disappear.

The draft calls for adopting party life and for the establishment of a supreme court to try presidents and ministers and to make decisions on the constitutionality of laws and on election contests.

The dossier also contains other reform provisions which call for separating the ministerial post from the deputyship, for extending the term of the Chamber of Deputies speaker to more than one year, for the Chamber of Deputies to elect the prime minister, for defining the powers of the president of the republic and of the ministers and for defining the possibilities of dissolving the Chamber of Deputies.

The dossier further includes provisions that call for rebuilding and bolstering the army and for restructuring its ranks and commands, for dissolving all the militias and armed organizations and for collecting their weapons.

The dossier then moves gradually to the other aspects of the cultural, educational and informational life, calling for abolishing all the private broadcasting stations and for guaranteeing the freedom of the press. This is in addition to the social and economic aspects, with the dossier stressing the importance of preserving individual initiative and private ownership while watching and channeling them in a manner that permits advanced economic development.

Naturally, proceeding with the action from the position of the Chamber speakership does not mean, in the opinion of Speaker Husayn al-Husayni, acting on the basis that the plans he carries in his special dossier must make their way to implementation without considering the opinion of every Lebanese faction on every provision. Al-Husayni is aware of the significant obstacles which have faced the political and security reform plans in the dialogue conferences which began with the start of the Lebanon war and continued through the Geneva and Lausanne conferences and then in the ministerial conclaves in Bikfayya. These obstacles will inevitably continue to be present in the future conclaves, if they are held, and in the meetings of the committees formed by the cabinet.

There is a flexibility which can, in difficult cases, modify some plans and provisions, on condition that the principles are not undermined and that the Chamber of Deputies speakership maintain the role of the leadership capable of giving the legislative authority the effectiveness which it basically derives from the bases of its formation, but without this leadership favoring one faction over another and without obstructing what the majority ultimately decides.

Speaker al-Husayni's program for the parliamentary year which has just started is, aside of the reform principles it carries and in which it believes, characterized by important points which, according to an ex-prime minister, can be said to be difficult points which have to be passed through.

These points include endeavors to develop a parliamentary position close to consensus in order to bolster the plan to oust Israel from the south and Western al-Biqa's and to restore them to the legitimate government and in order to revitalize the political base to avoid a sectarian catastrophe in case the discussion reaches the sphere of the plan to restructure the Lebanese formula according to the visualization in which al-Husayni believes.

Speaker al-Husayni wants the Chamber of Deputies speakership, and the Chamber along with it; to have an effective role of participation with the regime to steer clear of the formulas similar to the 17 May accord with Israel--an accord which the speaker opposed at the time it was signed--to regulate the distinctive relationship with Syria and to entrench the concept of the pan-Arab affiliation to the Arab group in which he believes through measures and provisions that must deal with the crux of the expected formula.

Speaker al-Husayni's task will certainly not be easy--while he is participating from his base which belongs to the school of Imam Musa al-Sadr, to the Shi'ite Council, to the Movement of the Underprivileged and to the roots of the Amal Movement which al-Husayni led several years before Birri did--in putting the legislative authority as of the beginning of next year on the path of fundamental amendments to the constitution.

Despite the slight hope in the achievement of a serious political agreement in the near future on this kind of amendment, the parliamentary year which has just started will face a discussion, not necessarily leading to resolutions, on several essential issues.

These issues include determining the method for appointing new deputies and bringing the contrasting viewpoints on the principles of appointment closer to each other, determining the fate of the plan to draw up a new election law and to increase the number of deputies and drawing up new constitutional articles if it becomes impossible to draw up a totally new constitution to embody all the contrasting plans on the form and quality of the regime in the presidential palace, on decentralism and administrative division, on citizenship, on the army's role, on the powers of the president and of the prime minister and on extending the Chamber speakership to at least 2 years instead of one.

In between these lines there are, of course, the issues of the weapons, the militias, of control of the security conditions, of the axes and crossing points and of the ports and broadcasting stations. Each of these issues needs a complete parliamentary term.

While preparing to turn to these difficult "payments due," Speaker al-Husayni does not want an unjustifiable conventional conflict with any parliamentary bloc or faction. He proceeds with his mission out of a clear wish, which he has conveyed to more than one deputy, to persuade all the factions, excluding those that have swerved from the concept of national and pan-Arab hostility to Israel, to engage in dialogue, to hear all opinions and then submit to the decision of the majority.

Al-Husayni avoids conflicts within the Shi'ite parliamentary group, even with those cooperating with ex-Speaker Kamil al-As'ad.

Even a few months before he was elected speaker of the Chamber of Deputies, al-Husayni tried to eliminate the obstacles which impeded the speakership's role and sent the proper proposals in this regard to al-As'ad out of his appreciation of the fundamental role which the speaker can play in the sphere of salvation.

Within this framework, al-Husayni charted his battle [for the speakership] and overcame its difficulties. With effort, he was able to get the decision to wage the battle against ex-Speaker al-As'ad without competition from the others and within the framework of the withdrawal of the others, or rather, by blocking the candidacy of a number of others aspiring for the position, beginning with ex-Speaker 'Adil 'Usayran, Kazim al-Khalil, 'Abd-al-Latif al-Zayn and ending with 'Ali al-Khalil in the final hours.

The circulated reports say that the possibilities of the continued candidacy of ex-Speaker 'Usayran and Kazim al-Khalil against al-As'ad stayed alive until 36 hours before election time and that sectarian pressures were behind this candidacy because of the lukewarm relations between Speaker al-Husayni and well-known Shi'ite leader and because of the emergence of a viewpoint saying that Kazim al-Khalil's candidacy could lead to Kamil al-As'ad's failure and to his getting no more than 13 votes. This was in addition to clear support given al-Khalil by a number of pro-regime advisers.

But all these considerations disappeared in the face of the profit and loss calculations and in the face of the distinguished effort made by Speaker al-Husayni and by Shaykh Muhammad Mahdi Shams-al-Din, the deputy chairman of the Higher Islamic Shi'ite Council, to confine the democratic confrontation between two only: al-Husayni and al-As'ad.

Speaker al-Husayni is planning for a concerted parliamentary movement at the regional and international levels and is preparing for a series of contacts of a consultative nature with Syria and a number of Arab countries. He is also planning for contacts including a number of West European countries, Islamic countries and other friendly countries.

Speaker al-Husayni and his ideas are well known in French ruling circles, especially since he explained to the French Ministry of Foreign Affairs 2 years ago, in a discussion held in Paris at the invitation of the French, the Shi'ite viewpoint toward the Lebanese crisis and toward the structure befitting the future.

He is also well known with his ideas and with what he represents in the circles of the U.S. administration and Congress, especially since he discussed all aspects of the Lebanese crisis with a number of U.S. officials, politicians and intellectuals during the visit he made to the United States last year in response to an invitation he received at the time.

The most important factors needed to achieve this distinguished role for the Chamber of Deputies within these frameworks is the factor of coordination and understanding between the Chamber speaker on the one hand and the president and the prime minister on the other, especially in the wake of the phase of estrangement which developed between ex-Speaker Kamil al-As'ad on the one hand and the president and the prime minister on the other, in addition to the estrangement between al-As'ad and Syria.

Will Lebanon's procession to replace the Israeli era with another era on the basis of the phase of fundamental change in the leaders, faces, principles, objectives and roles continue?

The answer requires a patience that goes beyond the next few months.

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DEVELOPMENT OF SAMED'S ECONOMIC PROJECTS EXAMINED

Nicosia FALASTIN AL-THAWRAH in Arabic No 531, 3 Nov 84 pp 28, 31

[Interview With Abu 'Ala', General Director of Samed, by Ziyad Abu al-Hayja': "Samed Is Trademark That Stands Fast in Face of Competition; We Have Repaired Our Plants in Beirut and We Are More Effective Now; We Wrenched Conakry Project From Israelis"]

[Text] Bucharest--Through a distinguished relationship with the socialist countries, Samed seeks [to set up] major national and international projects in cooperation with Palestinian capitalists in exile and seeks to transmit its invaluable experience in small workshops to the [West] Bank and [Gaza] Strip.

Samed is the nucleus of the Palestinian public sector and is challenging the Histadrut in Africa. It has begun to adopt the system of boards of trustees in every country.

Step by step and through a difficult march, Samed, the establishment comprising the factories of the sons of Palestine's martyrs, has proceeded from a dream tended by Fatah and given birth to this institution. The "blue collar army," an army of work and production comprised of the youth working in Samed, has become one of Beirut's national colors and of Lebanon's Arab colors.

There is nobody more qualified to talk about Samed than brother Abu al-'Ala', its general director, who was in Bucharest in response to an official invitation by the Romanian Government. I caught him by surprise at his hotel one evening amidst a heap of dossiers, puzzle-like papers and ambiguous charts. The man took off his glasses and talked about Samed for 40 minutes.

Our Factories in Beirut

[Question] What are the dimensions of the damage inflicted by the 1982 aggression on the steadfast factories and plants in Lebanon and how have they dealt with the catastrophe?

[Answer] The reasons that have made Samed's presence in Lebanon a necessity are still extant, namely the difficult and complex social problems of the Palestinian people. Samed has contributed to solving a part of these problems. We believe that Samed's presence in the Lebanese arena has now become more necessary than before because the Israeli invasion of Lebanon and the departure of the Palestinian revolution forces have intensified the economic and social problems of the Palestinians in Lebanon. Consequently, the obligations have grown bigger and the presence of Samed in Lebanon has become more important and necessary, especially since Samed has been able to maintain its legitimate presence despite the enormous difficulties emerging from the time of the Palestinian forces' departure.

Our material loss as a result of the war has been big. Some factories were completely destroyed, others were looted and the invaders have offered some for sale as war booty.

There were a number of workers martyred and wounded. We had ambitious plans to develop our factories. The blow received by Samed has curtailed the dimensions of these ambitions, at least in the current phase. The size of the material losses is no less than \$40 million. Samed building, of which we owned the major part, was destroyed completely by a (vacuum) bomb. This is proof that Samed was one of the targets of the Zionist invasion of Lebanon. The factories damaged have been repaired and put into operation anew.

[Question] Can we say that Samed has surpassed the tribulation?

[Answer] All of Samed's factories in the occupied South Lebanon have been destroyed. In Beirut, the factories have been repaired and put into operation anew in a more organized and effective manner.

Balancing Feasibility With Service

[Question] What is the Lebanese Government's position toward this issue?

[Answer] The Lebanese Government has begun to realize that the presence of Samed's workshops and plants contributes to solving the problem of unemployment in Lebanon.

[Question] What about Samed's workshops in Tripoli?

[Answer] The plants in the north have been confiscated by the dissidents. I have recently learned that these factories are at a complete standstill because the management of a plant requires experience and equipment. The factories in the north cannot operate without Samed's outfits and other branches.

[Question] How does Samed reconcile the social burdens it shoulders with economic feasibility when, at the same time, Samed is a social training and employment project and an economic project?

[Answer] Before the departure from Beirut, it was possible to reconcile the social service with economic feasibility because there was a decision by brother Abu 'Ammar to purchase all the needs of the [Palestinian] forces, offices and institutions from Samed's production. We did not have a marketing crisis and we worked to secure the numerous needs of the forces and agencies, regardless of the quality at times. But since the invasion, we have been required to maintain the factories and not to dismiss the workers but rather increase their numbers so as to contribute to solving the unemployment problem. At the same time, we are required to make up for the market we have lost with the departure of the revolution's forces and agencies. We are required to engage in economic activity in order to make up for the loss and to provide the social services. This aspect dictates that we spread Samed's workshops, enlarge its plants and open commercial offices.

We have opened commercial offices in Greece, Italy, the GDR, West Germany, Poland, Brazil and Peru. We are now in the process of opening an office in Bucharest and another in Tokyo. All this is being done in an endeavor to make some profits to cover the social burden we carry, especially in Lebanon.

Samed Is Trademark

[Question] At the outset of Samed's work, the purchase of a shirt or a dress produced by Samed was actually tantamount to a donation, an act of solidarity with Samed's objectives or an act to encourage the national industry at best. With the development of the establishment's plants, Samed's trademark has imposed its presence in a number of Arab and African countries. What is Samed doing to transform its trademark into a mark of steadfastness in the sphere of commercial competition?

[Answer] This can be achieved by securing two conditions:

1. High-quality production.
2. Competitive prices.

This is what we are seriously trying to achieve. I can say that Samed's product is acceptable, is now being offered as a commercial commodity and is winning bids as a result of its relatively low price and of its good quality.

Conakry Project

[Question] It is well known that Samed has economic projects in a number of African countries. It is certain that developing these projects is of special importance at present in confronting the new Israeli assault on the black continent.

[Answer] From the outset, these projects have been established in the African continent with a political objective. The economic objective was not the main objective for us. The objective was to develop the relations

with the African countries supporting the Palestinian people. The best proof to this is the Conakry [capital of Guinea] project. This project is set up on land that had been utilized by Israel. When we were given the land, Presiden Sekou Toure, may God have mercy upon his soul, told us: "Consider this land liberated Palestinian land." We have been careful to maintain a cooperative relationship with the farmers and the masses relations totally in contrast with the relations established by the Israeli experts who had been utilizing the land previously. They exploited the farmers in the ugliest manner. We have succeeded in establishing fraternal relations of cooperation with the farmers and have been able to offer health and social services in all the projects. There are in every project medical clinics that offer free of charge services to the villages adjacent to the project. This approach has tied the project management to the area's inhabitants. In a number of projects, we have conveyed electricity to some of the villages surrounding the project site.

Samed's agricultural experts have acted as advisers to the state and to all the farmers. The outcome of the experiments conducted in Samed project are spread to all the agricultural projects of the host country. In Guinea-Bissau, Samed's project is the largest and most important development project since the country's independence. This is what the Guinean minister of foreign affairs told brother Abu 'Ammar when they met in Beirut.

Arab and Palestinian Approaches

[Question] Isn't there coordination between the Arab economic projects and establishments to repel the Israeli economic infiltration in Africa?

[Answer] Regrettably, the two approaches are different. The Arab approach is often based on supporting the regimes financially. This approach pays no attention to having this support take the form of projects that become a testimony to the Afro-Arab friendship. This is what the exception of the Afro-Arab Development Bank which has a number of projects.

Samed's approach takes a different form. It is a Palestinian project with Palestinian experts who deal with the masses directly. Had Samed's projects received Arab support, they would have achieved important political objectives. We are engaged in broad-base action that is felt by the African masses. Meanwhile, the Arab states are engaged in top-level action embodied in advancing financial aid to the governments.

Jordan's Camps and "Circumstances"

[Question] Have not the Palestinian-Jordanian relations permitted Samed to offer its services to the Palestinian camps in Jordan?

[Answer] The Palestinian citizen in Jordan bears a Jordanian passport, does not suffer from discrimination and has the right to work. This does not mean that the camps don't need services and projects. But the circumstances in Jordan are not yet ripe for setting up projects in Samed's name. All we

have been permitted so far is to open an office in Amman, and not in Samed's name. We hope that the circumstances will give Samed the opportunity to set up some projects in the Palestinian camps in Jordan.

Samed and Occupied Territories

[Question] What is Samed's leadership planning for the future?

[Answer] Socially, our goal is to employ the largest number of Palestinians possible. At the struggle level, Samed seeks to support the steadfastness of our people in the occupied territories. This is a sphere in which Samed's contribution is still limited and is embodied in marketing some hand-made products coming from the occupied territories. At times, Samed contributes to marketing agricultural crops. We believe that the central link in our struggle is embodied in reinforcing the steadfastness of our people in the occupied territories. This support does not come from words or slogans. Reinforcing this steadfastness is a complete, integrated and organized process that includes the medical, educational and work aspects of life. This process requires tremendous effort and fundamental Palestinian interest. Our contribution in Samed must assume bigger dimensions and greater interest. Even though we are devoting considerable effort to this contribution, we still criticize ourselves because we must perform a bigger role.

One of our fundamental ambitions is to develop our support for the factories in the occupied territories, especially in the sphere of marketing. Another of our ambitions is to create work opportunities for Palestinian engineers by expanding our establishment's activities. Again, I must emphasize that Samed must transmit its experience in setting up small factories to the occupied territories, must encourage the foundation of economic projects in the occupied territories and must support them and contribute to keeping the citizen on his land.

Role of Palestinian Capitalism

[Question] Doesn't Samed, the nucleus of the Palestinian public sector, have plans for cooperation and coordination with the Palestinian experts, financiers and businessmen who are engaged in important projects, but under non-Palestinian names and objectives whereas what is required is that their projects be tied to the PLO's economic and political objectives, i.e., should there not be major Palestinian economic and financing projects to serve our people's and revolution's struggle?

[Answer] This is a sizable ambition and we must struggle to achieve it. We have already given thought to this issue and have discussed it with a number of our Palestinian brothers who head financial empires. We have consulted with them on how we can cooperate and how they can participate with us in establishing major projects. The truth is that I cannot hold them solely responsible. We are responsible for the failure of the followup. These brothers display serious interest in contributing to developing the agency's activities and to marketing its production.

There is something new. We have begun to form Samed boards of trustees in a number of countries and we aspire to form boards of trustees in Lebanon, Jordan, the UAE, Saudi Arabia and in every place where Samed is present. When such a board is formed of economic, academic and financial figures, it reassures the state concerned that these organizations operate in their sphere of specialization and for clear objectives. If we succeed in this endeavor, it will be a step on the path of achieving the ambition we have mentioned.

Latin American Palestinians

[Question] [What about] Latin Americans, for example, where there is a large concentration of Palestinians?

[Answer] I was in Peru and I talked to a number of Palestinians who own textile plants in that country. I have also talked to a number of Palestinians who own projects in Brazil. All of them have displayed the desire and enthusiasm to participate in the action.

[Question] You are currently visiting Romania at the invitation of its minister of foreign trade. Have you reached any results?

[Answer] It is well known that the Palestinian revolution devotes special attention to relations with the socialist countries, led by the Soviet Union. Our relations with these countries are firm and progressive. Since the mid-1970's, we began establishing economic relations with these friendly countries and started to conclude economic and technological cooperation treaties with them. We have concluded an agreement with the GDR, another with Hungary and a third with Poland. Here in Romania, we have held talks on concluding an economic and technological cooperation agreement. We have felt a response coming from our Romanian comrades. We have also discussed with them opening a Samed office in Bucharest to follow up on economic cooperation between us. They have agreed to this. We have also held talks on training skilled cadres and they have welcomed this.

Chiding of Lovers

[Question] The final question is actually a complaint. The brothers in the editorial staff have told us that they have not received SAMED AL-IQTISADI magazine in 2 years and that they have numerous letters from PLO offices and from subscribers inquiring about the failure to deliver SAMED AL-IQTISADI. The staff of FALASTIN AL-THAWRAH has asked me to present the question to brother Abu al-'Ala', the general director of Samed and the chief editor of its magazine.

[Answer] FALASTIN AL-THAWRAH is our magazine and one of the dearest magazines in the world to our heart because it is the magazine that speaks in our name and in the name of our revolution and people. We have something for which to reproach FALASTIN AL-THAWRAH before it could reproach us because this magazine has not published a single word on the resumed publication of SAMED AL-IQTISADI.

[Question] But they have not received the magazine for 2 years?

[Answer] The magazine is now published and excellent researchers and writers contribute to it. To my knowledge, we send the magazine to the PLO offices, to FALASTIN AL-THAWRAH and to all subscribers. If there is any failure, it is due to the mail and we will exert efforts to eliminate it as soon as possible.

[Question] Is this a promise to us, to the readers and to the subscribers?

[Answer] A free man's promise is a debt.

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PALESTINIAN AFFAIRS

REALISTIC TENDENCIES SAID TO BE DEVELOPING AMONG PALESTINIAN LEADERS

London AL-MAJALLAH in Arabic No 247, 3-9 Nov 84 pp 28, 29

[Article by Salih Qallab: "Palestine's Return From Sea to River and From Rafah to al-Naqurah"]

[Text] The talk of federalism and confederalism between Jordan and the PLO, especially in the wake of restoration of the Egyptian-Jordanian relations, has raised anew an old issue which had been long discussed in detail, namely the issue of whether Fatah Movement was thinking of separating the West Bank from Jordan and rescuing Gaza Strip from the Egyptian administration and establishing in them a Palestinian state forming the starting point for liberating the rest of Palestine or whether Fatah's objectives were limited to the boundaries of the land occupied since 1948. Another question raised is: Was Fatah thinking then and has it been thinking since the well-known developments from the outset of the revolution and until the present of a lesser goal than that of the independent state, i.e., has Fatah been thinking of some sort of an entity tying the West Bank and Gaza Strip to Jordan in one way or another? The answer is in this report.

Before we backtrack to the distant past when Fatah was formed and the Palestinian revolution launched, we must note two things: First, the PLO has retreated from the slogan of the national authority included in the 10 points approved by the PNC [Palestinian National Council] session convened in Cairo in the spring of 1977 to the slogan of the independent state included in the resolutions of the latest PNC session which convened in Algeria in February 1983. Second, accepting something less than an independent state is not an issue whose discussion has been banned since the departure of the Palestinian resistance from Beirut in the wake of the Israeli invasion of the Lebanese territories.

Now, regarding the answer to the first question of whether Fatah was thinking when it detonated the Palestinian revolution of separating the West Bank from Jordan and wrenching Gaza Strip from the Egyptian administration, an examination of the early archive and of the statements and communiqués issued in the wake of the foundation of Fatah and prior to the June 1967

aggression shows that those who initiated the revolution had no such inclinations or rather confirms that the thoughts of the early pioneers were free of any references to stripping away these two Palestinian parts from Egypt and the Hashemite Kingdom of Jordan to establish in them a Palestinian state that would constitute the end of the road and a starting a point for continuing the procession of liberation and repatriation.

Even after the June aggression, i.e., after the fall of the West Bank and Gaza Strip into the grip of the Zionist occupation, the talk of a Palestinian state in these two parts or in either part continued to be a taboo in the Palestinian arena until the eve of the October 1973 war when the Beirut-based AL-HURRIYAH magazine published a series of articles containing a clear position on this issue. The articles were understood to be reflecting the viewpoint of the forces prevalent in the PLO. This was proven later in the wake of the October war when Fatah Movement aligned itself fully with this tendency and adopted the concept of setting up an independent Palestinian state in the West Bank and Gaza Strip or in any other inch of Palestinian land in which the occupation is vanquished.

But this does not at all mean that the concept of the Palestinian state in Gaza Strip and the West Bank had not been raised and discussed in a limited fashion within the Palestinian leadership circles in the period preceding the October war. It is well known that some Palestinian officials, including martyr Kamal 'Adwan, had made known their desire to crystallize this idea.

Fear of Circumstances

After adoption of the idea of the Palestinian state by all the Palestinian factions, with disagreement over the means and ways to achieve this end, a new question arose to join the previous questions, namely: Did Fatah Movement, when it was first founded, put at the top of its goals the goal of setting up a state in Gaza Strip and the West Bank to constitute a starting point for achieving the other ambitious goals but was compelled to conceal this wish and this goal out of fear for the newborn revolution from the then prevalent Arab circumstances?

The Palestinian leaders who took part in the first founding steps and in touching off the procession of the present Palestinian revolution acknowledge that they were aware that liberating the Palestine occupied since 1948 was impossible without mobilizing all the resources of the Palestinian people as a vanguard for the Arab-Zionist conflict and that such mobilization was impossible under the canopy of the then existing Arab reality and without establishing for the Palestinian people an entity that would act as a starting point for the liberation process, regardless of whether this entity comes within the framework of this or that Arab state or as an independent state in Gaza Strip and the West Bank.

It seems, as made evident by the statements of the early pioneers, that it was impossible to express this wish and to declare this conviction for several reasons, including: First, the Palestinian revolution had not yet gained such extensive Palestinian support for its slogans and principles and the conviction among the majority of the Palestinian people was that

liberation could not be achieved without the pan-Arab management, i.e., without 'Abd-al-Nasir and the Ba'th Party at the time. Second, talking of a Palestinian state in Gaza and the West Bank meant then talking about Syria's secession from the United Arab Republic. Naturally, such an idea would have been rejected by the Palestinian people and by the Arab nation. Third, any steps to crystallize this idea were expected to be countered by an immediate Israeli move to occupy the West Bank and the Strip under the pretext of concern for the Israeli national security. This means that the early pioneers who touched off the Palestinian revolution were afraid in that case of being accused of espionage and lackeyhood.

Story of "Structure"

The generation of pioneers talk more often about something called the "structure" [covenant] than they talk about the mere conviction and belief in the necessity of establishing the Palestinian base for the pan-Arab effort in the direction of Palestine. It seems that the "structure" is taken from a historical idea meaning founding and building. This structure is tantamount to a code of honor and a pledge before God and the conscience to continue the effort to achieve the basic principles of the Palestinian revolution which include, of course, the complete liberation of Palestine with its historical borders from the sea to the river and from Rafah in the south to al-Naqurah on the Lebanese borders.

The "structure" includes, among other things, a provision talking of the West Bank and Gaza Strip (this was prior to the June 1967 aggression, i.e., in the early 1960's) and pointing out clearly the establishment of a Palestinian state on these two parts of Palestine. But it does not allude to this state's relationship with either Jordan or Egypt even though this provision states explicitly that Palestine is an indivisible part of the Arab homeland and that the Palestinian people are an indivisible part of the Arab nation.

But what is the fate of this "structure" and why has it been engulfed in all this secrecy? Rather, where is it now and why has it not been printed and distributed like the other Palestinian covenants and agreements?

What can be said in this regard is that this "structure" still consists of a single hand-written copy kept by Palestinian leader Yasir 'Arafat next to tens and hundreds of secret documents which will constitute in their entirety a part of the Palestinian people's history in a certain era of time. Whereas some of the early pioneers recall the provisions of this "structure" provision by provision, others remember only the part concerning the full liberation of all of Palestine.

One of those who took part in the early procession has said that those who drew up the "structure" were only a handful of men, led by Abu 'Ammar, of course, that this "structure" was the first constitution on whose basis Fatah came into existence and that it has been kept in the hearts of men, has not been printed and has not been distributed out of fear for the revolution from that period's circumstances which conflicted in a suicidal manner with the political tendencies and theoretical projections contained in the structure.

But, once again, why was this structure not declared afterwards when the Palestinian revolution grew strong and capable of declaring more than just establishing a Palestinian state in Gaza Strip and the West Bank?

Fate of Palestinian State

The Palestinian leaders' answer to this question is not satisfactory. This is why the question continues to be the subject of interpretation and guessing. The reason may be that the subsequent developments surpassed this structure in an unexpected manner or it may be that the size of the resistance grew after the June war in a manner that no longer permitted this structure to be a reference framework for all. The reason may perhaps be that the structure contains some matters which the circumstances do not permit revealing or declaring.

In any case and regardless of what has been said about this structure, it is certain that it contains an explicit provision on establishing a Palestinian state in the West Bank and Gaza even though it does not touch closely or remotely on this state's relationship with either Egypt or the Kingdom of Jordan. However, this does not mean that when the Palestinian revolution started it was just a secessionist movement and that it avoided declaring this fact out of fear of a crushing blow being dealt against it while it was still young and while waiting to rally the Palestinian people's resources behind its call and under the banner of the complete liberation of occupied Palestine.

When the Palestinian revolution started, it was confronted with a big problem, namely the problem of the national identity of the Palestinian people because Israel established its state on the major part of Palestine in 1948 whereas the remaining parts, small as they are, were annexed to the adjacent Arab countries: The West Bank to Jordan and Gaza Strip to Egypt. This led to destroying the national identity of the Palestinian people. As noted at the beginning, the early pioneers were fully aware that without self-reliance, there is no place for talking about liberation and that without declaring the Palestinian people's national identity in the face of Israel and Zionism it is impossible to absorb the deep-rooted capabilities and to wage a relatively equal battle that offers the hope of achieving the national objectives of this people, even though in phases.

It seems that in view of this, the newly-born revolution was faced with difficult options: Either declare its phased and strategic objectives, both those contained and those not contained in the structure and including the establishment of the Palestinian people's state in Gaza Strip and the West Bank to be a starting point for the second phase of liberation, thus exposing itself to early slaughter, or engulf its phased objectives in the strategic objective until it could find the background capable of understanding the motives behind projecting these objectives, be it to the Palestinian people or to the Arab nation.

When the Palestinian revolution started, the pan-Arab tide was at its peak, 'Abd-al-Nasir was at the epitome of his strength and the Ba'th Party had begun its experience of controlling power in Syria and Iraq. This is why talking about a state in the West Bank and Gaza would have been tantamount to a suicide for nothing which would have its devastating consequences to the future of the Palestinian cause and of the Palestinian revolutionary action.

Consequently, the Palestinian revolution took a different direction. It started by arousing the Palestinian nationalism through projection of the slogan of full liberation even though it was aware that this slogan was unrealistic under the then existing Arab and international circumstances and even though it was aware that the most difficult link was the Israeli link and that the liberation of Palestine without establishing a firm and solid Palestinian base would be tantamount to a shot in the dark and to a mere suicidal attempt.

The June war made it clear more than 2 years after inception of the Palestinian revolution that Israel had been aware of the extent of the danger of crystallization of a national identity for the Palestinian people. This is why Israel launched the 1967 aggression as a pre-emptive strike intended to destroy the idea in its cradle. It is worth reminding in this regard of the statement made by Moshe Dayan, an Israeli ex-minister of defense, on the eve of the June war in which he described the Palestinian resistance as an egg in his hand which he could crush at any moment he wished.

Nothing Less Than State

It is concluded from reviewing the literature of the preceding period that those who projected the idea of establishing a Palestinian state in Gaza Strip and the West Bank were not willing to concede to anything less, meaning that they were not prepared to discuss the acceptance of a self-rule tied to Jordan in one form or another and through which the minimal national identity is achieved for the Palestinian people.

This situation continued until about the time of Egyptian-ex-President Anwar al-Sadat's visit to the occupied Jerusalem. Afterwards, some voices began to wonder, though shyly and timidly, if the new balance of forces permitted more than a self-rule with diminished sovereignty and if the slogan of an independent state without a peace treaty, without recognition and without negotiation was compatible with the new given facts.

It is to be noted in this respect that the talk about the so-called Jordanian option emerged in that period and that Palestinian leader Yasir 'Arafat's response to this talk was that "there will be no relinquishing of the independent Palestinian decisionmaking and independent Palestinian state."

The truth is that after al-Sadat took Egypt out of the equation of the conflict with Israel, many in the Palestinian arena became more realistic than before. The Palestinian division over King Fahd's plan first and then over the first Fez summit demonstrated that a number of the Palestinian leaders realized that today's balance of forces is better than tomorrow's and that accepting what was offered at the first Fez summit would spare the Palestinian resistance a definite future catastrophe.

Despite this and because of well-known conditions and circumstances, those who held this opinion in the Palestinian resistance submitted to the dictatorship of the commoners in the Palestinian street. Thus, events developed, the Israeli invasion of Lebanon took place, the Palestinian resistance departed from Beirut in the well-known manner, Ronald Reagan presented his famous plan and then the Second Fez summit convened and adopted its resolutions which contained a provision concerning the Palestinian state, the right to self-determination and the PLO's sole representation of the Palestinian people. Despite this, some members of the Palestinian delegation deviated, perhaps under the pressure of the new geographic reality, from the consensus and expressed their reservation on those resolutions as if nothing had happened and as if all that had taken place in Beirut did not take place.

"The Realists"

In any case, even though the fifth Palestinian emigration expanded the circle of "the realists" in the Palestinian arena, the prevalent opinion which materialized in the PNC session which convened in Algiers in February 1983 rejected any forsaking of the independent state. However, this opinion did make other "concessions" at the level of the relations with Jordan and Egypt and the level of the second Fez summit resolutions whose seventh article underlines the right of all the area's states to live peacefully and with the guarantee of the United Nations.

This situation lasted for about 2 months only when some Palestinian circles began to understand the slogan raised at the time, namely the slogan "the land is more important than the organization." Obviously, this means that restoration of the West Bank and Gaza Strip, or rather Israel's withdrawal from these two parts of Palestine, is more important than the PLO with its programs and principles and that clinging to the past positions will lead to the loss of the West Bank and to its being devoured by the monster of settlement that is marching on ceaselessly and brutally.

In that period, the Palestinian-Jordanian dialogue produced the April agreement which was doomed never to see the light. The Palestinian leadership held a stormy meeting in Kuwait in which it adopted a resolution rejecting this agreement. Consequently, the relations between Jordan and the PLO went through a period of coolness, not to say tension, which lasted until after Palestinian leader Yasir 'Arafat's departure from Tripoli in the wake of the North Lebanon war against the PLO.

What is Important is National Identity

Since that time, Palestinian-Jordanian relations have regained their health, a conviction has firmly developed among a large number of Palestinian officials that Jordan has become fully convinced of the impossibility of returning to the old formula between the West Bank and the East Bank and of the futility of any solution that does not achieve the national identity of the Palestinian people, even it at its minimal limits.

Now, the question raised is: Will the Palestinian leadership accept anything less than the independent state and less than the PLO's sole legitimate representation of the Palestinian people in any future negotiations?

Talking of a decisive answer in this regard might be tantamount to some sort of falsifying the facts. However, what is concluded from the course of the events and from what is said here and there indicates that the Palestinian leadership has begun to understand the projections which call for representation of all the Arab parties by a single delegation in an international conference held to solve the Middle East crisis and the Palestinian issue.

It must be noted that some Palestinian circles understand the establishment of federal relations between Jordan and the PLO as acceptance of a unified Jordanian-Palestinian delegation to any future negotiations. It seems in this regard that these circles have no objection to including Palestinian representation in a Jordanian delegation through symbols considered to be pro-PLO but in return for effective guarantees that the solution resulting from such talks will produce nothing less than giving the Palestinian people an independent national identity, even if this identity is within the framework of relations with the Kingdom of Jordan. This solution must also be a phased solution for a certain period of time after which the Palestinian people determine their own future, including the issue of the independent state.

To avoid any ambiguity, it must be stressed anew that what is said in this regard is mere opinions and that the final decision on this issue has not been made yet and that it might be awaiting convocation of the next PNC session. But in any case, the decision will not be easy because the issue is not connected to a temporary moment but to a long history, to martyrs, tears and blood throughout the history of the modern Palestinian revolution.

It is true that the developments of the past 3 years have taught many in the Palestinian resistance to be more realistic and to take advantage of the early warning issued by 'Isam al-Saratawi to the latest PNC when he addressed the PNC members, saying: "I believe that you will be searching for a place to convene this council in the Maldeve Islands next time if you continue to discuss matters in this manner." It is also true that the prevalent tendency believes that this phase is a momentary stumble in Arab history and that the situation will soon change in the interest of the Palestinian revolution and of the establishment of the independent state.

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MILITARY LEADER DISCUSSES CURRENT INTERNATIONAL SITUATION

Nicosia FALASTIN AL-THAWRAH in Arabic 10 Nov 84 pp 8-10

[Interview with Salah Khalaf, Fatah Central Committee member, by Faysal Qarqati:
"Abu Iyad: Where have the Soviets Differed with Al-Asad? We Will Not Accept
Damascus Conditions"]

[Text] After the criticisms which Abu Iyad, member of the FATAH movement central committee directed at the Palestinian style of political action, more severe than that which others direct against PLO policy, although it is criticism from within the Palestinian household:

With the same severity, Abu Iyad criticizes the Syrian regime and shows his sorrow with some Arab parties which are acting as mediators and mediating with Syria, sensing this great Syrian obstinacy yet not stating their positions frankly.

Abu Iyad insists that a date be set for the National Council, and considers that Syria is trying to create Palestinian people's organizations and therefore an alternative liberation organization. However, he asserts that FATAH is the spirit of the Palestinian people, not just another "Sa'iqah."

Syrian Obstinacy

[Question] There have been many meeting dates and postponements, and there has been much talk about time and place. When, in brief, will the Palestine National Council meet!

[Answer] The importance of convening the National Council increased after the events of Tripoli, and it is necessary that the Palestinian people's parliament meet, in order to study everything that has happened since Beirut. However, there are hidden elements, frankly Syrian elements, which do not want our council to meet. They have started to exploit certain events, especially our brother Abu 'Ammar's visit to Egypt, to turn it into a basic reason for obstructing the council meeting, on the basis of claims which you hear every day. In spite of that, we have worked and are working for the convening of the council, exerting our effort in the Palestinian context, first of all, and the Syrian context secondly. In the Palestinian context, we exerted efforts to meet with organizations which we feel support independent decisionmaking, by which we mean the

Democratic Front, the Popular Front for the Liberation of Palestine, the Palestine Liberation Front and then the Palestinian Communist Party. As for the others, who have soiled their hands with the blood of our people, the fact is that we have not been anxious to have a dialogue with them. Indeed, we have not even been anxious to meet with them either, because any meeting with them would mean in effect absolving them of the crimes they have committed.

We succeeded in reaching the Aden-Algerian agreement. We succeeded in rallying our people around this agreement, which dealt with political and organizational aspects. In the agreement, there is a basic stipulation: the National Council will convene at a date no later than 15 September. Therefore, in the Palestine context, we have succeeded. In the context of the issue of Syria, we have left no body through which we have not mediated with Syria. I now admit that this method was wrong, although it was useful in the context of the intermediaries themselves. For example, perhaps the Soviet Union believed that we refused to improve relations with Syria, but when it mediated and started to engage in mediation, it confirmed that the stubbornness came from the Syrian party. The same with Algeria and Aden. In spite of the patience officials there possess, the Algerian and Yemeni mediators reached the same conclusion, which is that the stubbornness came from the Syrian side. We see some positive features in this. It is probable that the Syrian regime might imagine that our concern to have peace with it is a result of weakness, that is, in the sense that it is an attempt on our part to get close to the Syrian regime, which is not true at all. We used intermediaries in an attempt on our part to get allies, friends and brothers to understand that the Syrian regime is playing the Palestinian card in order to offer it to the Americans. The Syrian regime is acting in the direction of Lebanon, in the direction of Jordan and in the direction of some Arab regimes to act like a "con man" and tell the world that it succeeded in bringing down 17 May (the Lebanese-Israeli agreement), succeeded in expelling the Marines and succeeded in expelling the multinational forces. This regime, which has reached this stage, believes that there is something else which is not in its hands, which is the "Palestinian card," and the trump known as the PLO and the intractable people known as the people of Palestine. In any event, I do not want to get bogged down in this subject.

Let me go back to the National Council. The convening of the council was postponed because of Syrian pressure and Arab collusion with the Syrian position, which has no relationship with that of the Syrian people. We are looking for a place where we can meet, but cannot find any. Everyone offers apologies. Everyone is trying to make justifications. We are saddened by Algeria's position -- I am making this statement for the first time -- and this sorrow arises from our trust in Algeria. We are saddened by Aden, in spite of our trust in Aden as well. We have now reached the edge of patience. We are now intending to make a decision: it is necessary that the council meet in November, and we are not concerned where. We will agree to hold the council in any Arab country which hosts it. Our date is the present month.

FATAH, the Right and the Left

[Question] At secret sessions held between the democratic alliance and the national alliance before the Aden agreement, people were making statements that

the FATAH movement was a "Palestinian right wing." What is your opinion on this categorization?

[Answer] As far as this non-national alliance goes, the statement "if blame of me comes to you from a deficient person" applies to it. This alliance is the alliance of vindictiveness which has lusted after Palestinian blood. It does not deserve to have us give it weight or reply to it. Some voices among the parties of the democratic alliance like these designations, "left" and "right." I say that the FATAH movement is a progressive national movement which knows and follows the left more than all these organizations which talk about the left and about slogans. In spite of our respect for some parties in the democratic alliance, we do not agree that it should evaluate us like that! Historically, if we wanted to count what they said about FATAH in their literature, we would find ourselves retreating, since they are the people who raise "leftist" slogans, "progressive" slogans and sometimes anarchistic slogans! Where, however, are they, and where are these slogans? The FATAH movement is the spirit and conscience of the Palestinian people. We cannot say FATAH is right or left; rather, we can say that FATAH is a national movement which knows the interests of the Palestinian people and, through everyday, national practice in life, works in accordance with these interests. Therefore, one slogan or another does not concern us. We are not anyone's agents. We are friends of the Soviet Union and are not its agents. We are adversaries of the United States. We are not agents of any country or body whatever. We have friends whose friendship we do not ignore. Consequently, these charges do not concern us, first of all, and are not in any way beneficial to them, second of all.

The Organization, the Regimes and the Peoples

[Question] Twenty years after the establishment of the PLO, is there a possibility of stating that it was not able to determine the precise political framework for dealing with Arab regimes? Why are we always the victims?

[Answer] The fact is that there has been a mistake. There is something known as the organization; I consider the organization a skeleton. Anyone who fills this skeleton is the organization. In order for us to be fair, we must talk about the FATAH movement. We in the FATAH movement, and I have made this statement before, made a mistake concerning a slogan which we must eliminate from our dictionary, and this can be done only in the movement's conference: that is the slogan of non-interference in the affairs of Arab countries. No, to the contrary, we must interfere in the affairs of Arab countries. We must work with the Arab masses. We must understand that our fundamental base is the Arab masses. When the relationship with the regimes is dominant with us, at the expense of their national and liberation movements, we have thereby helped impede the growth of the revolutionary relationship with these masses. Let us admit that. I consider that this determines the course of the PLO, which must interact with Arab regimes, on grounds that our Palestinian people are present in all Arab countries. But what is the form of this relationship? How will interacting with the regimes take place? That is the mistake we have succumbed to. We must remove this slogan from our dictionary and say, no. We are a part of this Arab nation. The Arab nation is part of its national liberation movement. We must work with it, not at the expense of clashes with regimes directly, but also not at the expense of relations with these masses.

We Have Stopped Frightening People

[Question] That is, why are we the victims of Arab contradictions in our Palestinian policy while we do not control the Arab parties' policy toward us, and so forth?

[Answer] I told you that this is wrong. I gave you an answer to this question. I want to add something I said at the National Council in 1979, which is that we no longer frighten people (We have stopped being frightening). Some Arab regimes are not ashamed, but are afraid, and we no longer frighten, under the slogan "We do not want violence, we do not want terror, we no longer frighten people." The day we start frightening people again, be totally sure that these contradictions you are talking about will cease to exist.

Agents and Cowards in the "Palestinian Citadel"

[Question] Let us go back to the National Council, since you are a Palestinian leader. Haven't you asked yourselves what this waiting and procrastination is for? What does Syria want, following the sequence of acts of mediation, from Aden to Moscow and from Algeria to India?

[Answer] Syria, in brief, wants to have Palestinian decisionmaking in Hafiz al-Asad's pocket. We cannot allow Hafiz al-Asad or any Arab ruler to take our Palestinian decisions. The issue is that we are now weak and tired. This is true, and we are going through crises; this is true. However, we are not finished yet, and we will not be finished, because our movement is the Palestinian people's movement, and peoples do not die.

The Syrians want our Palestinian decisionmaking, and unfortunately there has been a disruption in the Palestinian front, because there are parties in the Palestinian front who are agents and there are other parties who are cowards, and they make it easy for Hafiz Asad to enter the citadel and make it easy for Syrian intelligence to enter the Palestinian citadel. Therefore, we say, "The time for the council will be set this month, along with the capital which will receive or be able to host the council -- any capital which does not permit Syrian or non-Syrian pressure to interfere in its decisionmaking."

Jordan and Egypt

[Question] How do you view the step of [the resumption of] Jordanian-Egyptian diplomatic relations in the context of the current Arab situation? What is FATAH's position on this issue?

[Answer] The fact is that the movement has not taken an official position for a number of reasons. First, Jordan had relations with Egypt before this step, which just made them explicit. King Husayn met Husni Mubarak in New York and in Washington, and that is what resuming relations means.

Second, we have all felt that the Syrian media gained scope for auctioneering from the Jordanian step.

As far as Egypt goes, we must think about ways of dealing with it, since we have been attacking Egypt and heaping abuse on it for 7 years now. In any discussion of relations with Egypt, we must not forget some principles. First of all, we are against Camp David, with respect to its Palestinian sections as with the Egyptian ones. We consider that the Camp David agreements are a serious stage in the life

of our Palestinian and Arab people. We also consider that Camp David is a conspiracy against the Palestinian cause and a conspiracy against the Egyptian cause as well, and that al-Sadat betrayed the Palestinian people and the Egyptian people by signing these agreements.

In the past 7 years we fought the agreements in this manner; was this method feasible? In my opinion no, because positive changes have occurred in Egypt and if we ignore them we will be like people who do not want to see the facts that are in front of them and escape from them. Al-Sadat was killed and Husni Mubarak came in his place. Husni Mubarak is not al-Sadat. It is true that he was an official in al-Sadat's era, but he was not the top official, and we know that the top official in Egypt is the basic one.

Second, Husni Mubarak, since assuming power, has been trying to bring down the Camp David agreement, although he adheres to it in his conversations, as Egypt's commitment to an international agreement it has concluded. However, on the ground there has been a freeze in the results of Camp David. In my opinion we can regain Egypt economically and politically through our contacts with it, so that Egypt will rid itself of the Camp David framework.

In our own context, we asked Egypt to freeze the Palestinian [part of] Camp David, that is, autonomy. The fact is that the people in Egypt have not started addressing themselves to it, and, again, if we look at the speeches by 'Ismat 'Abd-al-Majid, the minister of foreign affairs, and statements by Usamah al-Baz on the Palestinian state and right to self-determination, and even Husni Mubarak's statements on the international conference, we will find that there has been a kind of new development and change in Egypt which we must keep up with. This method is more feasible than that of making boycotts and also more feasible than the method of electric shocks which have sometimes led to mistakes.

In this context, we look at the Jordanian step and we see whether there has been an attempt to rid Egypt of Camp David or not. Yes, there is a resolution from the Baghdad summit on the subject of Egypt and the Arabs had to meet to determine a unified policy, that diplomatic relations should resume with Egypt on a basis other than recognition of Camp David. As to why the Arab summit did not meet for that sake, ask the people who postponed its meeting.

The Revolutionary Situation in Southern Lebanon

Question One section in the agreement between the American emissary Richard Murphy and Syria is that Palestinian guerrillas will not infiltrate into southern Lebanon. Isn't that a great danger for us in this agreement, which is a card in Reagan's hand in the American election campaign?

Answer The Syrian regime is a danger; it is not just that this agreement is a danger. I am not amazed by this Syrian conspiracy, but I would like to say something: People's movements are not revived or killed by any agreement or agreements. Let Murphy and Hafiz al-Asad agree on everything; however, the situation that exists now in Lebanon is one of armed struggle. I believe that the Palestinian revolutionary situation in southern Lebanon were planted when we ourselves were in the south, which the invaders believed would be the south of capitulation, the south of people who deal with Israel. Now we have left and here this south is now becoming the oasis, the oasis of armed struggle -- truly an oasis of revolution.

I believe that neither the Asad-Murphy agreement nor anything else can eliminate this situation. Then what do we ourselves want more than that? From the time we took off, our goal was to take off from the occupied territories and to surround the occupied territories with a suitable climate for armed struggle. Our entire work, over 20 years, succeeded only in Lebanon.

That is, we did not pursue the same situation in Jordan or the same situation in Egypt, but this situation was created in Lebanon. If Israel, with all its power, could not prevent Palestinian action and armed action, will Hafiz al-Asad be able to prevent it? He cannot.

Like the Difference between Pepsi Cola and Coca Cola

[Question] The enemy's new cabinet is said to have two heads, Labor and the Likud.

[Answer] Whether it has two heads or one, there is no difference, and if I want to joke, I can say that the difference between Labor and the Likud is like the difference between Pepsi Cola and Coca Cola. However, the Labor Party has a diplomatic language and tongue, and the West abroad might be content with that, since they imagine that the Labor Party will "embarrass us," while the Likud exposes Israel's expansionist goals and Zionist goals in Old Testament language. Of course there is a difference in style and tactics.

I believe that this coalition will not last a long time. The coalition was established because of a balance of forces and because of the bad economic situation in Israel and the state of tension arising from their presence in Lebanon. If the economic crisis ends and they reach agreement over the subject of Lebanon, I am certain that what will happen with the coalition is that it will dissolve and that one of the two parties will assume leadership of the government. In any event, we must not pin our hopes on this subject. We as Arabs are not in a situation of collective action which will enable us to impose an important retreat on the enemy.

[Question] How do you view the new Soviet position on what is happening on the Palestinian stage?

[Answer] After our brother Abu 'Ammar's visit to Cairo, a sort of stiffness has arisen between us. It is probable that the Soviet Union is afraid that that will be a new policy. However, after our contacts and conversations with them, after the signing of the Aden-Algiers agreement, and after the Syrian obstinacy on the PLO, the Soviet position is now as good as ever. It is totally understanding of the position of the FATAH organization on the subject of relations with Syria and the other Arab regimes. I believe that the coming weeks and months will witness a qualitative change in this relationship, especially since the visit by the Syrian president, Hafiz al-Asad, to Moscow was, in my opinion, unsuccessful in areas outside bilateral relations. According to my information, Moscow did not agree with al-Asad over Syrian policy vis-avis the PLO, Iraq and Jordan and the situation in Lebanon.

The Syrian ruler's resentments are minor as far as the Palestinian people are concerned. On the matter of the situation regarding the international conference, which is a Soviet recommendation, al-Asad did not want to take stock of the expression the phrase "especially the PLO", which the Soviets are accustomed to putting in statements bearing on the international conference, since they talk about "an international conference attended by all parties concerned, especially the PLO." Al-Asad did not want this stipulation; indeed, he wanted a stipulation that said "a conference attended by all parties." Al-Asad wanted the Arabs to attend the conference in an Arab delegation. Why don't they want the Liberation Organization to take part in a matter which is related to the fate of its people?

Syrian Forgery

[Question] After the holding of a trumped-up conference for the Palestine Federation of Workers in Damascus, is this a beginning of other steps toward the formation of a second Liberation Organization?

[Answer] Let our comrades and brothers in the secretariat general of the Palestine Federation of Workers and in the labor base expose this plagiarism of the name of the Palestine General Federation of Workers. Syrian intelligence arranged the Damascus conference. The duty of the workers and their federation is now to be firmer and more united so that they will be able to bring down a trumped-up federation with their forces, such as Ibrahim Bal'us, Dawud 'Urayqat and those people who sold themselves to the Syrian regime. They do not have the right to be part of the Palestinian labor movement. The failure of the trumped-up workers' federation is the failure of the following steps which the Syrians might take, and it means the failure of the attempts Syria is making now on behalf of a new students' federation, a new engineers' federation and a new women's federation. There are preparatory committees for this in Damascus. They want to defraud the organizations of the Palestinian people in exile, and if they can do that on the occupied territories they will not hesitate either. Therefore, at this stage, we and our brother workers have the task of exposing the trumped-up federation and thwarting its activities, so that Syria will not imagine that it is easy for it to establish alternative federations, an alternative National Council and another executive committee. These attempts will not deceive anyone. The people who carry them out are like people who talk to themselves and try to persuade themselves.

11887

CSO: 4404/91

NEW CULTURAL PROTOCOL WITH POLAND SIGNED

Nicosia FALASTIN AL-THAWRAH in Arabic 10 Nov 84 p 7

[Article: "A New Palestinian-Polish Protocol for Press and Cultural Cooperation"]

[Text] Last 31 November [sic] the delegation of the secretariat general of the General Federation of Palestinian Writers and Journalists completed an official working visit to the Socialist Republic of Poland in response to the official invitation our federation had received from the Polish Federation of Writers and Federation of Journalists.

The visit by the secretariat general's delegation headed by our brother Ahmad 'Abd-al-Rahman, the secretary general, including among its members our brother Ghanim Zurayqat, the secretary, took 3 days, during which a number of meetings were held with officials in the Polish Federations of Writers and Journalists. They were all important, successful meetings, and were dominated by the spirit of friendship and the common desire to develop bilateral relations. At the end of the visit, the final signatures were made on two protocols of cooperation between the General Federation of Palestinian Writers and Journalists and the Polish Federations of Writers and Journalists.

The two cooperation protocols stressed the Socialist Republic of Poland's support for the just struggle the Palestinian people are waging under the leadership of their sole legitimate representative, the Palestine Liberation Organization, in order to realize the just legitimate rights of the Palestinian people, including the establishment of an independent Palestinian state on the territory of Palestine. The two cooperation agreements also stipulated that the federations would make reciprocal visits so that each federation could learn about the actual conditions of the other experiment.

The Palestinian and Polish parties agreed to coordinate positions in international conferences and activities. The two cooperation agreements included having the Polish comrades work to spread Palestinian culture in the Polish press and media. In addition, FALASTIN AL-THAWRAH will publish the texts of the two agreements in coming issues.

The stipulations of the agreement signed by the Polish Federation of Journalists referred to agreement to specialized training numbers for Palestinian journalists and the provision of an annual study grant at the Faculty of Journalism at Warsaw University for the General Federation of Palestinian Journalists.

The visit to Poland was an occasion for our brother Ahmad 'Abd-al-Rahman, in his capacity as the person in charge of the unified Palestinian media, to hold a number of meetings and encounters with officials in the media in the government and the party. In the course of these, a dialogue was held on the importance and need for joint cooperation between the Palestinian and Polish media.

The Polish officials welcomed the Palestine Liberation to Organization's desire to send a resident press correspondent for FALASTIN AL-THAWRAH, the organization's central journal, to Warsaw as resident correspondent there and expressed their readiness to offer all facilities necessary for him to engage in his activity.

11887

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PALESTINIAN AFFAIRS

BRIEFS

AGREEMENT WITH EAST GERMANY—The executive program has been signed for the cultural, scientific, educational and press cooperation agreement between the PLO and the Republic of East Germany. The signing ceremonies were held in the office of the Foreign Ministry in the capital, Berlin, where the agreement was signed by Gerd Kinesch, deputy minister of foreign affairs, and 'Isam Kamil, director of the PLO office in East Germany, in the presence of delegates from the Ministry of Health and Higher Education and the Ministry of Education, which are the bodies concerned with the chapters of the agreement. In an atmosphere of friendship and solidarity, Comrade Kinesch talked about his country's commitment to support the struggle of the Palestinian people under the leadership of their sole legitimate representative, the PLO, and referred to the importance of the numerous meetings which recently took place between our brother Yasir 'Arafat and Comrade Honecker, especially during Abu 'Ammar's visit to Berlin to take part in the celebrations of the 35th anniversary of the founding of East Germany. Dr 'Isam Kamil thanked East Germany for its positions and its leadership of the PLO and stated that this support and aid helped strengthen the Palestinian people's struggle and perseverance and its progress toward attaining its goals of establishing its independent national state under the leadership of the PLO. The PLO and East Germany had signed a comprehensive cooperation agreement in 1981. At that time our brother Abu al-Lutf, chairman of the PLO's Political Department, and Comrade Oskar Fischer, minister of foreign affairs, had signed it. The agreement between the two parties at that time was considered a development in relations between the two people and strong support for the Palestinian people and the PLO. [Text] [Nicosia PALASTIN AL-THAWRAH in Arabic 10 Nov 84 p 7]

CSO:4404/91

PRESS REPORTS, REACTS TO REAGAN REELECTION

Ershad Message Reported

Dhaka THE BANGLADESH TIMES in English 9 Nov 84 p 1

[Text] President Lt. Gen. H. M. Ershad on Wednesday congratulated President Ronald Reagan on his re-election to the high office of the President of the United States, reports BSS.

In a message to Mr. Reagan President Ershad hoped that the close bonds of friendship, mutual trust and cooperation between the two friendly countries would grow from strength to strength in the years ahead.

President Ershad said, "On behalf of the Government and the people of Bangladesh as well as on my own behalf I have great pleasure in extending to Your Excellency our heartiest congratulations on your re-election to the high office of the President of the United States of America".

It is my sincere belief that the friendly people of the United States of America will continue their onward march towards greater heights of progress and prosperity under your able guidance and wise leadership during the second term of your office".

"While wishing you continued success in your high office, I express my sincere hope that the close bonds of friendship mutual trust and cooperation which so happily characterise the relations between our two friendly countries will grow from strength to strength in the years ahead."

"I avail myself of this opportunity to convey to your Excellency my sincere good wishes for your good health, happiness and long life as well as for the continued peace, progress and prosperity of the friendly people of the United States of America."

'Great New Duty' Noted

Dhaka THE BANGLADESH OBSERVER in English 9 Nov 84 p 5

[Editorial]

[Text] Incumbent United States President Ronald Reagan has won the November 6 elections, hands down. The landslide, indeed, has come as no

surprise at home--or abroad. Opinion polls preceding the elections often lucidly pointed to it. We congratulate him.

The microcosmic California history seems to have repeated itself for Mr. Reagan in the national polls. Despite the failure of the promised economic and fiscal improvements for the state, Governor Reagan had a similar polls landslide for a second term--chiefly for the same single reason, his charisma as a leader.

Yet there had been some muddying of waters, as it usually happens in elections, because of Mr. Mondale occasionally using his shrewdness and subtlety in an attempt to catch Mr. Reagan on the wrong foot. The 'upset' he had asked for from the voters had not come about, or the chance visualised by him for American voters to 'make history' has ostensibly been lost.

Back in the White House Mr. Reagan has of course made no history. But he has been given a unique chance to make one. And it is in this that the world is more interested than in the elections as such.

It is after 12 years that America has re-elected a President. And the tradition of a U.S. President being re-elected for two consecutive terms is as rare as only four over the past 140 years after Andrew Jackson.

The re-election of Mr. Reagan or, for that matter, any President anywhere for a fresh-term is more to be understood in terms of a quietly assessable finale than a dramatic event. Four years of his presidency following the Carterite era of detente and irresoluteness on national and international issues have been years of relative economic prosperity and stability for America and of increased self-assurance and confidence in international relations. An America shining to advantage in the relativity of superpower stances, brought about by Mr. Reagan's foreign policy seems to have been the major single factor in the electorate's overwhelming support for Mr. Reagan. Internally, a stable price-line, growing entrepreneurship, control of inflation, expanding employment opportunities mark a socio-economic buoyancy that obviously has helped tilt the balance so heavily. Under him America emerged imperial as it tended to in Eisenhower's time.

These also seem to have made the American voter to refuse to listen to criticisms of Mr. Reagan. Neither the lack-lustre performance at the Louisville debate, nor the none-too-smashing a recovery at Kansas would wean Americans from Reagan. That is intelligibly because his performance as a president has been greater, and that a broader sweep of vision hardly compares with the narrowness of near and immediate sights. Reagan's easy manners, spontaneous affability, communicative facility, an ability to translate complex problems into workable simple solutions, above all a common sense view of most of his domestic and international problems may have been among those arcaner aspects of his personal abilities neither criticism nor his 'mistakes' could take away from.

Leadership is first an image, a charisma. But it is charisma supported by the credentials established by the performance of the leader.

Incidentally, certain features in the American polls, from the primaries to the television debates, are extraordinary in that the whole procedure is aimed at discovering the right man to be chosen for the right place by the free vote of the people. And the voter is given every opportunity to test the candidates out as a matter of right under the constitution. He also contributes substantially to the financing of the election. But the rules are stringent enough to guarantee a free and fair election never influenced by force (physical or political), money, family or pedigree. That is where it makes the chief difference with the third world countries yet to evolve such guarantees of people's rights asserted in a fair, unrigged election.

Mr. Reagan has however yet to make good his shortcomings with all he has done for his country and also with all that he has not been able to do for the world. American elections, or one who is swept into the American presidency, is a matter of tremendous significance to the rest of the world. Apart from bilateral super-power relations waiting to be repaired by both Moscow and Washington agreeing to talk to each other there are the explosive points around the globe where Mr. Reagan and his government has to play a crucial role: In his immediately neighbourhood lies Central America--particularly the solution to Nicaraguan and Salvadorian question. Conflicting super-power interests in this region as well as in Europe and Afro-Asia and in the potential trouble spots around the world will demand the closest possible attention from the American presidency over the coming years. Peace in the Middle East as well as the Lebanese crisis has to be among the immediate regional issues that Mr. Reagan could and should help solve. Neither Israel's intransigence can be abetted nor the Palestinian right to a home denied any longer.

Under the current global configuration all these regional conflicts remain bound up with the central issue of rapprochement between America and Russia and the progress made towards an understanding on peace and disarmament. For, the global and regional issues are so interdependent that should the tension keep building at the global level, conflicts (at bottom super-power) at the regional tiers will not only be not solved. They could easily assume global dimensions and become a positive threat to world peace. Keeping the world free from fear and tension--and war will be the great new duty if a renewed presidency for a new term.

'Most Capable Man'

Dhaka THE BANGLADESH TIMES in English 9 Nov 84 p 5

[Editorial]

[Text] President Ronald Reagan's winning a second term on Nov 6 was not an unexpected event. Opinion polls and independent observers of the American political scene were predicting his victory during the last few months before the elections. He was already cresting a wave of popularity which his Democratic challenger Walter Mondale was not able to gnaw away. Reagan during his earlier four year term in the White House has demonstrated that he could be firm in negotiations and that he would not be willing to leave unprotected

American interests in any part of the globe. This spirit was able to restore confidence in the American public after the humiliation suffered in the Iranian episode during the earlier Carter presidency.

An astute politician, Reagan realised that what the American nation needed most after the traumas of Vietnam and Watergate and finally the seige of the American diplomats in Teheran was the feeling that the United States was once again ready to stand up to its own interests. He generated a new buoyancy by his foreign policy positions and his negotiations with the Soviet leaders. Although Mr. Reagan had to face criticism from many of his countrymen and political opponents for displaying "toughness", the American public has shown on Tuesday that they were ready to give him a triumphal second term.

Reagan's victory in 49 of the 50 states is a record and he would probably go down in contemporary American history as one of the most popular presidents. Age was his only failing, but even that weakness could not be used properly by his challenger. Rather, Reagan turned his age into an advantage by retorting on the issue in a television debate that he would not be using to a political advantage Mondale's youth and inexperience.

Reagan's second term will certainly be dominated by his efforts to reach some sort of an agreement on limitation of nuclear arms with the Soviets. He has already stressed in his first press conference after his landslide victory was announced that he was ready for a summit with Soviet leader Constantin Chernenko. He also suggested that there should be continuous informal contacts between the two superpowers' and called for an evolution of a mechanism for such a communication.

Another issue which will also occupy his presidency is the yawning budget deficit. But with the kind of popular support behind him, the Republican Reagan is today the most capable man for handling the political and economic issues facing the United States.

'America Whole--and Wholesome'

Dhaka THE NEW NATION in English 9 Nov 84 p 5

[Text] Ronald Reagan has won the American elections. Not unexpectedly, by a landslide. But foreknowledge did not prevent the size of the slide from being stunning. Pundits around the world, predominantly Americans, will now be busy looking for myriads of significance in the outcome and may be reading much of the same into it. We, almost antipodally situated as we are from that farthest of all nations, feel glad to see in the result a great nation ultimately getting over its deadliest trauma--the Vietnam trauma, and the sure sign of the nation coming into its own. Reagan symbolised this process while giving it such spurt as no one man has done so effectively after John Kennedy.

It is difficult to identify the complex factors that led the electors away from the impressive Mondale--it may be the feeling that they had never had it

so good with the dollar hitting the sky and recession well past and business as bullish as it rarely has been--but it may not be that at all, as well.

Perhaps they liked the way Reagan stood up to the Soviets and exerted the utmost to match them weapon for weapon and even clinch a definite one-upmanship in the matter of deploying Pershing missiles in West Europe--but how can one be sure about it?

But by clear, almost glaring, implication, Reagan's win is the endorsement of his handling not only of the superpower game but also of his administration's ways about Central American, or for that more than a continent of Latin complexities. And the meaning must be clear to the adversaries in Kremlin or in Managua, in Luanda or in Addis Ababa, that now they will have to contend with a stronger and more confident Reagan. But behind the conservative taut-muscle Reaganism that simply throws money at the Defence Department and delights in cutting on welfare programme--was another less observed factor to the President's victory. It was his men--and his policy which did that impossible job of breaking up AT&T--the world's largest corporate body earning decades of Bangladesh's earning may be in as much as a month. The moral of the big job--the Reagan administration not only cut taxes down, but widened and spread opportunities all over the nation for whoever had the initiative to grab one. Perhaps, this one most of all, triggered off the winning streak of Reaganism. Most bureaucratic blockages were removed and everyone was led to believe he was good enough to form his own ideas and opinions and was not needed to swallow already chewed stuff, from however glorified a mouth that was passed down. It is the contagion of confidence--confidence in the individual's own worth--that perhaps influenced the electors most.

Mondale, however poorly he has done in the electoral college, has not been dismissed as summarily by the citizens at large. They gave him a big hand in largely offsetting the stunning electoral vote. And even in defeat he remained chin-high game, conceding but full of hope and confidence. What Reagan represents and what Mondale does--together make America whole--and wholesome--and make it tick the way it does.

CSO: 4600/1156

UN DELEGATE SUPPORTS DISARMAMENT CONFERENCE

Dhaka THE BANGLADESH TIMES in English 10 Nov 84 p 4

[Text] UNITED NATIONS Nov 9: Bangladesh supported a French proposal for an international conference on disarmament and development at a high political level reports IINA.

Speaking in the General Assembly's Political Committee Bangladesh delegate Syed Muazzem Ali said the time had come for a comprehensive discussion on the subject.

The French delegation has submitted a draft resolution calling for such a conference to be preceded by meetings of the preparatory committee. Among other elements the draft proposes the establishment of an international disarmament fund for development.

Muazzem Ali said that in world of limited resources there was close relationship between expenditure on armament and economic and social development. Not only scarce material but also technical and human resources had been continuously diverted to the armament race when they were urgently needed for development.

As a least developed country Bangladesh had acutely felt that the huge material technical and human resources which were being channelled toward the armaments race should be directed to eliminate the global poverty he said.

The Bangladesh delegate appealed to all concerned to demonstrate the necessary political will with a view to evolving a course of action. During a difficult period of international economic situation the developing countries particularly the least developed one were passing through a critical phase. Their development efforts had suffered a major setback due to economic factors beyond their control. Some of them had been severely affected by natural calamities. Consequently every major sector in their economy had suffered decline.

CSO: 4600/1158

REPORT ON ERSHAD 13 NOVEMBER SPEECHES IN CHITTAGONG

Dhaka THE NEW NATION in English 14 Nov 84 p 1

[Text] SANDWIP, (Chittagong) Nov 13 (BSS): The President and CMLA, Lt. Gen. H. M. Ershad has said that the upazila concept on its implementation had reversed the urban oriented development taking the new development thrust to the rural areas.

He said, now the upazilas were ensured of a share in the national budget which they were utilising for the uplift of the rural areas as per local level decision. Earlier, it was the practised principle to take decisions from the centre and in the process the rural areas remained neglected and whatever they got turned too far from real need of the area.

The President was addressing three big public meetings at Kutubdia, Moheshkhali and Sandwip when he paid visit to these off-shore island upazilas today.

He said with the decentralisation of administration effected through the creation of upazilas, all the development agencies had been taken out to the upazila level providing support services to development pursuit of rural people.

President Ershad recalled that he first visited Sandwip two years ago to inaugurate the upazila, which was among the first bunch of upgraded upazilas formally opened by him. He expressed his happiness at the humming development activities now going on there. "Now

I can see the signs of avowed resolution on the faces of the people to march forward to progress', he said adding: 'Moreover evidence of positive development thrust is also being noticed in socio-economic life.'

He said his government firmly believed that no development would be meaningful for the nation keeping the vast multitude of rural people outside the purview of development. He said that his government sincerely meant equal development of all parts of the country and

integration of the whole population, be it in the urban areas or in the villages, with the principal current of national development pursuit.

The President referred to the unprecedented floods this year and said, the upazila system had proved its effectiveness by timely reaching relief to the distressed.

In this context, he said that the programme of upazila parishad chairman election was aimed at democratisation from the grassroot level. The people's elected chairman would not

only be accountable to the electorate, but at the same time would surely have better understanding about the problems besetting the area and ways to solve them, he added.

Turning to the education sector, President Ershad said that the government had taken a decision to nationalise one boys and one girls high school in each of the 460 upazilas. He said the country's education base had to be strengthened and broadbased to transform the huge manpower resources in

to productive force. He said, "We have made each of the ten crore people productive to support the development thrust; otherwise, the huge manpower resource would become a burden on the society."

He stressed on reaching the light of knowledge to the country's womenfolk who constitute 50 per cent of the population and said the national aspiration for development could never attain its cherished pace keeping the womenfolk outside the development process.

The President said while as a nation we strive to organise an effective workforce, efforts should also be directed to arrest the galloping rate of population growth. He said, we have no alternative but to contain the population within a reasonable size, otherwise all our development efforts would be rendered fruitless.

President Ershad advised the students to engage themselves in the pursuit of knowledge to groom themselves as worthy citizens of the country. "This is the time that you should concentrate on preparing yourselves to shoulder the future responsibilities of managing the country," he said adding: "On completion of your academic life, you can choose any career including politics, but too much of involvement in politics in student life will spoil your future career."

In this regard, the President was critical of using the students as pawn in the game of politics by a section of politicians. He said a section of politicians is utilising the students for achieving its selfish political ends and thus causing enormous harm to the students and the nation.

He pointed out that social and moral degeneration had been eating up the vitals of the society and called for reflection of Islamic values and ideals in the day-to-day life.

Touching on his efforts for transition to democracy, the President called upon all to help create a conducive democratic atmosphere so that an elected government could be established

through polls. He said election is the recognised way to establish an elected government and there is no alternative to it.

President Ershad said democracy did not prescribe taking recourse to indiscipline, intolerance, burning of buses, damaging public and private properties and creating hindrance to national, economic and development activities. Democracy is ruled by consent of the majority and its effectiveness lies in the utmost democratic tolerance, respectfulness to other's opinions and struggle for popularising a party's socio-political and economic programmes, he observed.

He said, hollow words and tall promises could never muster support of the people of the country who still remember the bitter experiences of past misrule of a section of political parties. In this context, he referred to the speech made by a leader of a political party recently whereby she spoke about price spiral.

He said, these political parties had been suffering from negative political attitude of the colonial days and had been taking fancy in criticising the government without giving the alternative programme. While they spoke against the price index, they could not assure that they could provide essentials much cheaper if they came to power.

The President's speeches were punctuated by clapping and applause again and again. The enthusiastic audience also raised welcome slogans expressing their confidence in the leadership of President Ershad and support to his programmes.

A surge of enthusiasm swept the isolated island life of the people of Sandwip, Maheshkali and Kutubdia to get the President in their midst. They warmly welcomed the President with welcome slogans at these places.

At Kutubdia, on the first leg of his tour to those off-shore islands President Ershad announced that the local girls' school would be made a govern-

ment school and a donation of Taka 1.5 lakh towards building a hostel for the school. He also announced a grant of Taka one lakh each for the two boys' high schools and Taka 50,000 each for the two madrasahs of the area.

He also assured sanction of fund for constructing Boraitali Moghna road and directed the upazila administration to complete the construction of Kutubdia Azam road. He told the audience that government would construct an embankment along the western side of the island to save it from being eroded further.

At Maheshkali, the President announced a grant of Taka one lakh for girls' school, Taka 50,000 each for four boys' schools and a madrasah for their development and Taka 2 lakh for repair and protection of a mandir and Taka 10,000 for orphanage.

At Sandwip, he announced that the Kargil Girls' High School and a boys' high school would be made government schools. He told the audience that government had taken decision to build a cross dam for protection of Sandwip. Technical feasibility study is now in progress on the project which will cost around Taka 115 crore.

He also assured at these places to take measures to improve the power supply position in these upazilas.

President Ershad also made a low heli-fly over the erosion area of Sandwip and Kutubdia to have a personal appraisal of the situation which has been posing threat to these islands.

Speaking at Maheshkali, the Water Resources Minister Air Vice Marshal (Retd) K. M. Aminul Islam said that the government had been working on an extensive repair of all the damaged embankments in Maheshkali upazila. The works will be completed this year, he added.

During the visits to the off-shore island upazilas the President was accompanied by the ZMLA, Zone "C" Maj. Gen M. Nuruddin Khan.

REPORT ON FIELD TRIP TO STUDY IMPACT OF 1984 FLOODS

Dhaka THE BANGLADESH OBSERVER in English 2, 3 Nov 84

[Article by Mahabub Hossain, Omar H. Chowdhury and M. A. Quasem]

[2 Nov 84 p 5]

[Text] Although Bangladesh is a flat land, there is an extreme variation in rainfall, land levels and soil types which have given rise to a variety of cropping patterns in different parts of the country. Recent developments in irrigation and new agricultural technology have brought flexibility in the sowing and harvesting time of rice and changed the crop calendar significantly. All this means that floods may not affect crops in all areas with the same intensity and that farmers may have better means to adjust to natural calamities now compared to earlier years when knowledge about the new agricultural technology was not so widespread. So to assess the impact of floods for the country as a whole from a sample visit of areas, the authors thought it appropriate to cover areas with different land levels, soil types and at different levels of adoption of the new agricultural technology. Keeping this in mind the authors travelled about 900 miles touring Faridpur, Magura, Jhenaidah Kushtia, Pubna, Natore, Bogra, Gaibandha Sirajganj, Tangail and Jamalpur. Discussions with upazila Agricultural Extension Officers, Assistant Directors of Agricultural Extension, cultivators and agricultural labourers along with actual field observations around the trunk roads and a few accessible interior roads enroute are the basis of our assessment of the situation.

Extent of Damage

The mid-April heavy rains which reportedly damaged boro crops in Sylhet, Mymensingh and Comilla belt was not reported to be so widespread in the areas visited. In fact a few areas experienced drought upto the end of May which delayed the sowing of broadcast Aman, Aus and jute and affected growth of the plants. The rain beginning in early June, however, was heavy, incessant and the excessive down pour in late July caused widespread floods not experienced by the people in the recent past. This indeed caused large scale damage to crops as assessed below.

Broadcast Aman: This crop is mostly grown in the extreme low lying areas and hence it was the most severely affected one. The early drought led to late planting of the crop. In normal years the plant grows along with water, but

since this year the early growth of the plant was affected, the plant could not stand the sudden increase in water levels from the early rains. Moreover, the farmers could not plant this crop in the areas that experienced heavy rains in mid-April. So large parts of low lying areas such as in the districts of Faridpur, Sirajganj and Tangail suffered complete damage of this crop, but plants in the mid-level lands such as in Natore and Pabna were seen to be recovering and the harvest in these land may not be very bad if floods do not hit again. The rough assessment is that the production this year would be about 50-70 per cent less compared to normal years in different parts of the country. Fortunately, because of a change in cropping pattern from broadcast Aman to Boro this crop now accounts for only about 10 per cent of the cereal production in the country--So the overall impact on the foodgrain production will not be substantial.

Aus Rice: Aus is grown in very low lying land as a mixed crop with broadcast Aman and also on very high land where cultivators generally follow Auspulses or oilseeds crop rotation. The low lying Aus was severely damaged but the effect on high land Aus was mixed depending on soil types. The excessive rains on sandy soils reduced crop yields but the farmers reaped bumper harvest on loamy soils. The cost of production was however high because of the heavy growth of weeds. Farmers who planted HYV Aus late also suffered due to late July flood. Considering the proportion of areas under these different types, the crude assessment is that the crop would be about 25-33 per cent below normal years' output. This crop accounts for about 20 per cent of the total foodgrain output; so the total output would be five to six percent less on account of loss to this crop.

Jute

This year farmers devoted more land to jute compared to the previous years owing to the high favourable jute and paddy prices which prevailed last year. It was grown on all levels of land and the damage to the crop is directly related to the level of land. On the low lying land such as in parts of Faridpur, Sirajganj and Tangail the plants were submerged causing heavy damage. The waterlogging of medium high land reduced the yield of the crop by a half, but in the high land the yield was good. The average yield this year could be about 50 per cent lower compared to normal year but considering the increased acreage, the loss of production would be less--the output this year may be about 30-37 percent less compared to the average of the last few years.

Transplanted Aman: This crop is generally grown on medium high and medium low lands. When the excessive rain in late July caused widespread floods, a small proportion of the normal area had been planted with the crop. On the medium low land the flood delayed the planting of the crop and destroyed the plants which had already been planted. The impression obtained from the field trip was however that the initial damage inflicted on this crop would be recovered if the crop is not affected by floods again and if the October rainfall was normal. The basis for this impression is as follows:

- a) The flood was early and after recession of the water farmers got enough time to transplant seedlings on lands which could not be planted or re-transplanted on lands in which the plants were destroyed. The farmers

reported that they expect an average yield if they could transplant the land by mid-September, although the scientists argue that transplanting after end-August reduces the field of the crop. Some areas specially those with a large proportion of medium low and low lands suffered shortage of seedlings which were also destroyed by floods. But movement of seedlings from high land areas helped overcome this problem although the price was abnormally high. At the time of the field trip, Aman seedlings were found to be the main commodity in local markets being transported by rickshaw vans and even trucks which indicated long distance movement Aman transplanting was also noted as the main activity in the field at that time.

b) Some of the lands which are not normally sown by T. Aman have been covered this year. A large proportion of the medium low lands in which other crops such as jute and B. Aman were completely destroyed, have been transplanted by T. Aman after the damage. And some of the high lands which are not normally suitable for T. Aman have been transplanted with the crop this year in the expectation that continuation of the rainy weather would provide a good harvest. It was observed during the field trip that labourers were lifting water by swing baskets from low lying plots to high land to prepare the land for transplantation. Owing to these factors one may expect an increase in T. Aman acreage this year particularly in medium high and high land areas--a crude estimate may be an increase of about 10 to 15 per cent. But the late September floods may have destroyed the crop in medium low lands in the flood belt areas along the major rivers.

c) In the case of T. Aman there has also been an impressive shift of acreage from local varieties to high yielding varieties (HYV) like BR-7 and BR-11. At different points in the route or the trip, farmers were asked about the proportion of the T. Aman area planted with HYV and the answer varied from 37 to 75 per cent. It is reported that the expansion of HYV Aman started some time back, but it was very rapid over the last few years because of the popularity of BR-11 with farmers. Because of the rapid expansion of HYV the average yield of T. Aman is expected to be significantly high. A larger proportion of the crop has been late transplanted this year. Even if late transplanting has a negative effect on yield it will be outweighed by the positive effect of the expansion of HYV.

In view of the above factors our forecast at the beginning of September was that T. Aman production would be 10-15 per cent higher this year which could have compensated the loss to Aus and B. Aman. The September flood however may have changed the situation. This flood seems to have affected again the low lying areas specially in the upazilas adjacent to the Jamuna (Tangail Rampur-Jamalpur region) and the Tista where T. Aman is reported to have been severely affected. Considering the proportion of such areas, the loss to T. Aman due to September flood may be less than 10 per cent.

To conclude, the excessive rain and flood had caused extensive damage to crops particularly to B. Aman, jute and Aus. The damage is very severe compared to the record since 1970 and is similar to 1974 when 35 percent of the B. Aman and 21 percent of the Aus production were affected. The farmers have however tried their utmost to recover the loss through additional acreage

planted to T. Aman and a shift from local to HYVs. The September flood has to some extent dashed the possibility of T. Aman making good for the loss in the production of other crops at the National Level. However, the total production during 1984-85 should not be more than 5 per cent below the level of the last year.

The crisis would really be severe at the regional level in upazilas with a large proportion of low lying areas. These areas suffered the severest damage to crops by the July rains and were again affected by the September flood. The agricultural recovery programme during Aman season was not feasible in many of the areas and the efforts made by farmers were rendered fruitless by the September flood. The conditions in these areas will improve only after harvesting of the Rabi crops.

[Article by Mahabub Hossain, Omar H. Chowdhury and M. A. Quasem]

[3 Nov 84 p 5]

[Text] The floods may not have so severe an impact on total foodgrain production of 1984-85 as was apprehended. But the loss in Boro and the Aus production will reduce the supply of food from domestic sources during August to December period which may have implications on prices and purchasing power of different socio economic groups. Hence lack of proper policy may create a situation similar to 1974 in pockets of areas which have been very severely affected.

The landowners are the first victims of the flood in terms of loss of output. The jute prices are substantially higher this year and hence although the average yield has been reduced, the farmers may recover the cost of production incurred on this crop. But the floods have washed away the investment on B. Aman and Aus in a large production of areas, and the costs of production have been high because of the larger requirement of weeding in high land areas. Increased price of seedling, retransplanting on flood damaged areas and higher wage rate due to tight time schedule for transplanting mean that the average cost of production for cultivation of T. Aman would be much higher this year. So the average income of the cultivators irrespective of their size of holding would be quite low and many of them would have to buy food from the market until the Aman is harvested. Most of them would also face scarcity of fodder as the flood also reduced the by-products of Aus used for feeding the animals. The large farmers, however, have the capacity to withstand the crisis, but the small farmers have to be supported up to the time they get another harvest, otherwise they would have to disinvest the assets in order to survive.

A famine is however caused by decline in the purchasing capacity or the failure of 'exchange entitlements' of the landless who do not have any assets to fall back upon. The purchasing capacity declines due to (i) nonavailability of jobs which also leads to a decline in the wage rate for those who get jobs, and (ii) increase in the price of food both of which may be an immediate effect of flood. It is argued that the 1974 famine occurred primarily because of these two factors.

The impression obtained from this field trip is that the employment effect of this flood may not be so severe as in 1974. Need for more weeding generated additional employment and higher wage rate for the land less in the medium high and high land areas. Additional acreage transplanted with T Aman also generated more employment and the tight time schedule has put an upward pressure on the wage rate. Some loss in employment for harvesting Alrs and jute on damaged land has occurred but the loss in earning has been partly compensated for by the retransplanting of T. Aman and the sudden increase in wage rate at the time of Aus harvest in the wake of flood. At the time of the field trip, farmers in a few pockets reported scarcity of labour, and labourers from low lying areas were seen temporarily migrating to medium high and high land areas to supplement local labour.

Rapid expansion in irrigation and HYV cultivation which the country has experienced since the last disaster in 1974 has given rise to large scale temporary migration to the landless workers across upazias and even districts. As the mobility and the knowledge of whether to look for jobs have improved, the scope of circumventing the effect of the loss of employment on the landless of a particular locality has also somewhat increased.

Another difference compared to 1974 which may have reduced the negative impact of flood on income of the landless as a class, is the noticeable change in employment opportunities in the rural non farm sector particularly in trading and transport activity in upazila and district headquarters.

Both cultivators and agricultural wage labourers have reported that the wage rates in nominal terms this year is higher compared to the corresponding period last year which is another indication of the better employment situation of the landless. The purchasing capacity may however decline in spite of the higher wages if prices increase at a faster rate. The price of rice has also gone up but in general wages in real terms have remained almost equal compared to the last year.

The other group who may be the worst hit by the current calamity are the disabled and the destitutes in the most severely affected areas. They cannot take advantage of the increased employment opportunities generated in the medium high and high land areas as the able bodied landless. Begging will also not fetch much food since the better off farmers have been affected by the damage and have also suffered from higher cost of cultivation. They may be a small fraction of the total population, but their absolute number is not significant. These groups are the usual victims of the epidemics which break out in the wake of flood.

Policy Options

The government is trying to meet the situation through distributing relief in cash and food throughout the country. The analysis of the situation presented above would indicate that this may not be an optimum policy. The need for relief is much less in the high and medium high land areas where the target of such relief i.e., the landless, may be getting enough employment. On the other hand the low lying areas had been hard hit in terms of damage to crops,

farmers had little chance to make up for the damage through transplanted Aman and the landless would lack employment opportunities until the time farmers start cultivating the rabi crops. Therefore, one should think of concentrating relief operations in the identified hit areas so that even after allowing for possible misappropriation which have been reported by people during out trip the target group can be adequately reached instead of thinly distributing relief all over the country.

The government has recently instructed banks to provide credit against mortgage of lands so that the small farmers need not sell their assets. This is a desirable policy as we have noted in our analysis that the farmers in general are affected by the flood and the small farmers in particular would be hard hit since they can ill afford the loss. During our field trip we got the impression that a large number of farmers are getting loan but in many areas we received complaints that the local bank officials are insisting on 10 to 15 per cent "service charge" in addition to normal interest rates for providing such loans. Such high effective rates of interest is driving the banks back into the clutches of the local money lenders. The government should take appropriate steps to check such malpractices.

The landless in the relatively less affected areas would be subject to danger if the rice price shoots up which would reduce their purchasing capacity particularly in October November which is generally the most slack season of agricultural activity throughout the country. Therefore, checking the rice price level would be a crucial policy instrument for the government to avoid any undesirable situation.

The finding from the field trips show that the price of coarse rice varied between Tk. 7.50 to 8.50 per seer and remained at that level since last June, after a rapid rise since the beginning of the year.

It seems that the government policy of market intervention by releasing foodgrains through open market sales, modified rationing, etc. has had some effect on stabilising prices in the rice market. Government will have to monitor the movement of rice carefully and continue with the policy of augmenting supply through government operations until the Aman is harvested.

Finally, one should emphasize that whenever possible foodgrains released for flood relief should be used in employment generating schemes such as food for work projects. This is better than providing grant targeting of which to the most affected is difficult to administer, and it develops a dependance mentality.

CSO: 4600/1157

EXPERTS DISCUSS NEW LAND REFORMS POLICY

Dhaka THE BANGLADESH OBSERVER in English 4 Nov 84 pp 1, 8

[Text] Out of a total of 2.22 crore acres of land under cultivation, only 4.5 lakh acres will be available as excess lands under the new landholding ceilings announced by the Government.

The Land Reforms Ordinance promulgated in September last has fixed the ceiling of land holdings at 60 bighas (Twenty acres).

A number of economists and senior officials in different agricultural agencies assessed the availability of excess land under the new ordinance in Separate interviews with this correspondent. The assessment was made on the basis of the land occupancy survey conducted in 1979.

The New Land Reform Ordinance has a limited scope for making available much of any excess land for distribution among the landless farmers most of the economists whom interviewed opined. The number of "purely landless farmers" in Bangladesh was 33 per cent of total agricultural households on the basis of 1979 survey. However, the same survey estimated that the number of near-landless and marginal farmers in Bangladesh having 0.5 acres of agricultural lands is 49 per cent of total households.

One economist told me that over the last few years a substantial number of rural landless families switched over to non-farm activities due to various socio-economic reasons. As they are engaged in non-farm occupations distribution of excess lands for cultivation among them will thus not be needed he felt.

The economists and officials have all agreed that the new Land Reforms Ordinance has sought to provide some sort of security and protection to sharecroppers and ensure minimum wages for the vast agricultural labour force. Listing the 'positive aspects of the new land reforms policy' they said that the total agricultural produce in case of lands under sharecropping would be distributed equally among the landowners and sharecroppers. In the event of an investment in the form of agricultural inputs either by the owner or the sharecropper one-third of the produce will be kept reserved as returns on such investments, they pointed out.

About the security of tenure the economists pointed out that the new measure will protect the sharecroppers against possible eviction by the landowners within a period of five years. The sharecroppers will also enjoy the advantage of getting a land on first priority basis if the owner wants to dispose it and the sharecropper is willing to buy, the experts said. The provision for giving minimum wages to the agricultural labour-force is satisfactory as the rate has been fixed either at three and a half seers of rice or money equivalent to it for a day's work.

The agricultural experts and economists have however expressed the apprehension that the implementation part of the new ordinance will face a formidable obstacle. Explaining the obstacles they maintained that at present the terms of sharecropping cultivation are covered under verbal agreements. If the Government does not itself take the initiative for registration of the sharecroppers, it is almost impossible to protect their interests as envisaged in the new land reforms policy, they stated. Under the new ordinance the sharecroppers are to get themselves registered which the economists point out as an impractical proposition.

About the minimum wages fixed under the new ordinance for the agricultural labourers the expert say that the vast unemployed workforce have no choice of bargaining and the employers will have enough scope to deprive them of the minimum wages stipulated under it. They suggest that the Government take adequate measures to enforce the payment of minimum wages to the agricultural labourers by the owners. Referring to the gross irregularities in the distribution of foodgrains as wages under the Food-for-Works Programme to the labourers three agricultural experts categorically said that there were many cases of contractors paying wages to the labourers under the Food-for-Works Programme at rates much below than what was the standard prescribed one.

Meanwhile the available statistics reveal that forty per cent of the agricultural households in the country are share-croppers of one kind or another. About 25 per cent of total cultivated lands are tilled by the tenants or share-croppers.

CSO: 4600/1151

INSUFFICIENT USE MADE OF FOREIGN ASSISTANCE

Dhaka THE BANGLADESH OBSERVER in English 4 Nov 84 pp 1, 8

[Text] The utilisation of foreign assistance in the aided projects in 1983-84 Annual Development Programme (ADP) was only 67 per cent. The local currency spending in these projects has been estimated at 99 to 101 per cent. The utilisation of foreign assistance last year has been rated as one of the lowest during the first four years of the Second Five-Year Plan. Out of the 430 aided projects the performance in 1976 projects was very depressing according to a report of the Implementation, Monitoring and Evaluation Cell of the Planning Commission.

The report noted that while the overall local currency spending was 99 per cent during the year under review the local currency spending in the aided projects was 101 per cent and the foreign aid utilisation was only 67 per cent.

In the last year ADP is has been estimated that the total investment was Taka 3006 crore which is 84 per cent of the total allocation. The local currency part has been shown at Taka 1905 crore as against the allocation of Taka 1932 crore. The investment in foreign currency in the ADP was Taka 1101 crore against the allocation of Taka 1653 crore. The utilisation of foreign assistance was 78 per cent during the year 1981-82 and 1982-83.

Out of 146 implementation authorities and organisations 131 could spend total local currency allocations while 13 organisations failed to utilise the entire amount earmarked for their projects. The progress was zero in handloom board projects and only one per cent in Bangladesh Biman. The progress of the projects in 37 organisations has been estimated at 50 per cent and 10 per cent in 19 organisations according to monitoring report. The organisations are: Livestock Directorate Fisheries Corporation Bangladesh Petroleum Corporation Bangladesh Mineral Exploration Corporation Atomic Energy Commission Jubo Unnayan Directorate Bangladesh Jute Mills Corporation Chalna and Chittagong Port Authorities Bangladesh Shipping Corporation, Export Promotion Bureau Tea Board, Steel and Engineering Corporation Bangladesh Chemical Industries Corporation, Bangladesh Small Industries Corporation Bangladesh Textiles Mills Corporation and Bangladesh Management Development Centre.

The causes of the poor utilisation of the foreign assistance in the aided projects were identified last year and the National Economic Council directed the relevant authorities to expedite the utilisation of the foreign aid. But in spite of the availability of the counterpart funds for the core projects and formation of a coordination committee to speed up the implementation the performance was depressing in 1983-84. The causes of the slow absorption of the foreign aid are: delay in decision making and sanctioning of projects at the highest level, delay in signing the contract with donors floating tenders and opening letter of credit lack of coordination among organisations ministries External Resources Division and donors initiative at the project implementation level delay in appointing consultants and negligence of duty by the consultants, irregular meetings of the Coordination Committee and inadequate availability of efficient personnel.

CSO: 4600/1151

DECLINE REPORTED IN FOREIGN EXCHANGE RESERVE

Dhaka THE BANGLADESH OBSERVER in English 5 Nov 84 pp 1, 8

[Text] The foreign exchange reserve of the country has declined by Taka 314.42 crore from Taka 1391.95 crore during the first four months of the current fiscal year. The foreign exchange reserve of the country now stands at Taka 1077.63 crore.

During the corresponding period last year the foreign exchange reserve increased by Taka 205.53 crore.

The decline in the foreign exchange reserve has been attributed to the higher demand of foreign exchange for importing sugar and edible oil. Besides, the overall import performance of the country has improved considerably due to stable rate of foreign exchange in the auction market.

The financial circle views such decline of foreign exchange reserve as a healthy sign on monetary scenario. The Bangladesh Bank had to purchase substantial amount of foreign exchange last year from the auction market which resulted in increase in money supply. The foreign exchange reserve increased last year due to poor import performance following demand contraction.

Another circle is of the opinion that the foreign exchange reserve fell this year due to sharp decline in remittances through legal channel. The intervention by Bangladesh Bank and commercial banks in the auction market disturbed the free play of market mechanism resulting in decline of auction rate.

When contacted, a source in Bangladesh Bank told this correspondent that the stable rate of foreign exchange has increased the foreign exchange demand for import. He said that more and more import would contract the money supply with the availability of goods and services. Besides, he said, the decline in remittances by the wage earners is now a worldwide phenomenon. The remittances declined substantially from United Kingdom which contributed about 60 per cent of our home-bound remittances due to unemployment situation prevailing there. Besides a good number of employees are also coming back from Middle East job market. He, however, did not totally rule out the remittances through illegal channel.

CSO: 4600/1151

MINISTER TELLS PLANS FOR FOOD-FOR-WORK PROGRAM

Dhaka THE NEW NATION in English 5 Nov 84 p 3

[Text] Resources worth about Taka 250 crore will be utilised during the current financial year under Food for Work Programme (FWP) to implement over 7500 projects, Relief and Rehabilitation Minister Prof. Yusuf Ali said in Dhaka on Wednesday.

He said out of the total projects, more than 60 per cent (4501) are in the category of earth work for which 4.5 lakh metric tons of wheat worth nearly Taka 200 crore have been allocated.

Last year resources worth more than Taka 220 crore were used to implement over 7,000 projects, According to the latest information, 97 per cent of the earth work, which comprises more than eighty per cent of resource allocation for FWP, have been accomplished.

In an interview with BSS on the eve of launching the earth work of current year's FWP, Prof. Ali said this year's programme is the largest one, both in size and allocation. He said the principal objective of the programme, which began in 1974-75 with a modest allocation of 32 thousand tons of wheat to help the poor and needy in the country side and build rural infrastructure, will remain unchanged.

The Relief Minister said because of the current year's unprecedented flood throughout the country. FWP for 1984-85 bears significance for the revitalisation of the economy. He said the programme was expected to create 12 crore mandays of work and contribute largely to overcoming loss to the economy caused by natural calamity.

He said current year's FWP has been divided into four sub-programmes, namely, earth work, construction of bridges and culverts, maintenance of rural roads and post-monsoon rehabilitation of rural roads (compaction work).

Prof Ali said with the inclusion of the construction of bridges and culverts under FWP in 1982-83, a new chapter was added to the programme. Since then a new element is being incorporated with the FWP to make it more meaningful. The Minister said the inclusion of post-monsoon road compaction programme as a pilot project from the current year has been made with the same general objective of making FWP worthwhile.

During the current year, resources worth about Taka 31 crore have been earmarked to implement 3016 project under the programme for construction of bridges and culverts. Last year, Taka 20.5 crore were allocated to undertake 1236 projects of bridges and culverts.

He said, compared to last year's allocation of Taka 1.3 core to undertake maintenance rural roads as a pilot project, Taka 12.97 crore have been sanctioned for the current year's programme to cover 18000 unions of the country Under this programme. 15 destitute women will work in each union throughout the year at a daily allowance of Taka 10 for maintenance work, he pointed out.

Giving an account of the achievements made during the last one decade (1974-75 to 1983-84) under the FWP, Prof. Ali said over 22 thousand miles of road were constructed or repaired and more than 39 thousand miles of embankment were made or repaired. He said 26.11 lakh metric tons of wheat and Taka 22.51 crore were spent on several thousand projects that, generated 70.55 crore man-days of work.

Replying to a question, the Relief and Rehabilitation Minister said as usual World Food Programme (WFP) with 1,73,000 tons of wheat tops the list of donors, followed by the US AID with 1,40,000 tons. Last year contributions of WFP and US AID 1,40,000 tons and 1,20,000 tons respectively. He said Bangladesh government's contribution to the programme is remaining static to last year's figure of 80,000 tons. The other important donors are Canada (30,000 tons and Australia (20,000 tons).

He said that while the United States was bearing total expenditure for bridges and culvert programme, the Canadian government had agreed to provide the whole amount for rural road maintenance programme.

The work for bridges and culvert will begin from December 15. The compaction and road maintenance work have begun from September 15 and October 1 respectively.

The Relief and Rehabilitation Minister said besides providing employment to the terminal peasants, landless farmers, unskilled workers and the poor, the programme's another important objective was to bridge the gap between the urban and the rural areas. He hoped that proper implementation to the programme could give worthwhile contribution to the ailing economy of rural Bangladesh.

The Minister mentioned that success of the FWP will have a great impact not only on the rural population, but it will also create favourable impression among the donors for future expansion of the programme.

Quoting President Ershad's slogan "If villages survive, Bangladesh will survive" Prof. Yusuf Ali said the long term aim of Food for Work Programme was to enable the villages of Bangladesh to survive.

CSO: 4600/1152

DETAILS ON TRADE PROTOCOL WITH DPRK TOLD

Dhaka THE BANGLADESH OBSERVER in English 7 Nov 84 pp 1, 10

[Text] Bangladesh and Democratic People's Republic of Korea (DPRK) on Tuesday signed in Dhaka agreed minutes on expansion and diversification of trade between the two countries, reports BSS.

The agreed minutes were signed by Commerce Minister Prof. M. A. Matin and the visiting DPRK Minister for Foreign Trade Mr. Choi Jong Gun at the conclusion of their day-long talks.

Both the sides also agreed to sign a bilateral shipping agreement with a provision for sharing of charge on 50:50 basis soon.

Bangladesh side emphasised on expansion and diversification of trade and both sides agreed to take promotional measures to achieve this goal. Both sides agreed to take effective steps for balanced growth of trade between the two countries. Bangladesh side expressed interest to export more value added non-traditional and manufactured items.

Under the agreed minutes, Bangladesh will export jute goods, jute carpets, light engineering products, tobacco and tobacco manufacture shark fins and fish maws, packet tea, handicraft, specialized textiles, hosery products, sanitaryware, stainless steel cutlery, electric cable, super enameled copper wire, stainless razor blade, G. I. pipes, pharmaceuticals, ceiling fan, rayon staple fibre cosmetics etc.

DPRK will export to Bangladesh machine tools; cutting tools fire bricks; magnesite clinker; marble chips hardwares, ceramic; glasswares; chemicals.

Both sides agreed to extend the validity of present barter protocol upto June 30, 1985; and to sign a new barter protocol soon.

It was agreed that TCB would play a major role in future trade between two countries. They also agreed to explore possibility of setting up joint venture industries in Bangladesh.

CSO: 4600/1153

DOMESTIC BANK CREDITS RISE DURING FIRST QUARTER

Dhaka THE BANGLADESH OBSERVER in English 9 Nov 84 pp 1, 10

[Text] Domestic bank credits recorded a rise by about 14 per cent during the first four months of the current financial year. The net outstanding credits to both public and private sectors increased from Taka 7164 crore in June last to Taka 8180 crore in October 84.

Credits to and investments in the public sector by the banks registered a fresh expansion by about Taka 195 crore during the period under review. This expansion had taken place notwithstanding the reduced size of the public sector following the disinvestment policy of the government.

In the private sector, domestic banks credits and investments maintained a net expansion by about Taka 800 crore during July-October period of the current financial year. Additional funding requirements for jute trade financing due to high-prices of raw jute and now credit flows to the agricultural sector particularly after the floods accounted for the net expansion of bank credits in the private sector.

In the overall net outstanding bank credits at Taka 8180 crore at the end of October last the share of public sector credits and investments was Taka 2600 crore and that of private sector, Taka 5580 crore.

The bank deposits during July-October period of the current financial year increased by less than five per cent from Taka 6902 crore in June last to Taka 7237 crore at the end of October, '84.

Meanwhile the liberal refinancing facilities by the Bangladesh Bank mainly for the agricultural sector had been responsible for the imbalance in the credit-deposit ratio. Thus the net outstanding bank credits exceeded the total deposits with the banking system at the end of October '84.

The overall money supply in the economy remained under a fresh expansionary phase during the first four month period of the current financial year even though the output expansion programme for the year suffered a major setback following the severe dislocations caused by the flood. Narrow money which includes demand deposits and currency outside banks expanded by about Taka 220.63 crore from Taka 3655.65 crore in June, '84 to Taka 3876.28 crore in October '84.

The broad money which includes narrow money and time deposits stood in October '84 at over Taka 9000 crore as against Taka 8528 crore in June last.

BANGLADESH

DHAKA TO HOST COLOMBO PLAN CONSULTATIVE COMMITTEE

Dhaka THE BANGLADESH TIMES in English 10 Nov 84 p 3

[Text] Bangladesh will host the 32nd ministerial meeting of the Colombo Plan Consultative Committee in Dhaka in 1988, Works Minister, Maj. Gen. M. A. Munim said in Dhaka on Thursday, reports BSS.

Gen. Munim who returned in Dhaka on Thursday evening after leading a three-member Bangladesh delegation to the 30th meeting of Colombo Plan Consultative Committee in Kuala Lumpur said that Bangladesh's offer to host the 32nd Consultative Committee meeting was unanimously accepted.

The 31st Consultative Committee meeting will be held in Canberra in 1986, Maj. Gen. Munim added.

Replying to questions, Gen. Munim who was elected Deputy Chairman of the meeting of the Colombo Plan Consultative Committee reviewed the working of the Colombo Plan staff-college for providing intensive training facilities to the officials of the member countries.

He said the committee decided that the future of the college, particularly its local and funding would be decided by the Colombo plan bureau expeditiously and the bureau is expected to submit its recommendations before the next consultative committee meeting.

CSO: 4600/1158

NO RESPONSE FROM INDIA ON GANGES ACCORD RENEWAL

Dhaka THE BANGLADESH OBSERVER in English 11 Nov 84 p 1

[Text] Bangladesh finds itself in a critical and awkward situation in the absence of an agreement on sharing the Ganges waters. The Ershad-Indira Memorandum of Understanding for two dry seasons expired on May 31 last.

Bangladesh has taken initiative to revive the dialogue. Two letters, one written by Mr AZM Obajdullah Khan when he was the Irrigation Minister and a follow-up letter by his successor Air Vice Marshal (Retd) Aminul Islam have evoked no response from the Indian Government.

The letters written in February and July this year asked for early convening of a meeting at the Ministerial level to sort out the problem. The Government of India has rejected the proposal of a Ministerial level meeting. New Delhi has said it was not in a position to sit at a meeting on determining the quantum of the Ganges water before the Lok Sabha elections in India which are due early next year. This was the Indian view when Mrs. Indira Gandhi was alive.

The Indian stand is not likely to change for two reasons, Mr Rajiv Gandhi's hands are filled with domestic problems and he will not find time to divert his attention to a bilateral issue in which India has no stake. Secondly, the new Indian Prime Minister will not commit himself on this issue with the Lok Sabha elections round the corner.

Even if the Indian parliamentary elections are held according to schedule (no date has yet been announced) and the new cabinet is formed, the whole exercise is not likely to be over before February next year.

Since there is no urgency for India the new Indian Government will drag its feet on reassessing the whole issue.

What will happen to Bangladesh during this period? In the absence of an agreement Bangladesh will be at the mercy of India for the flow of the Ganges waters during the coming dry season.

In the mean time India has reached an agreement to give Nepal aid in her irrigation projects. Though Nepal was one of the three parties directly concerned in the Ganges water sharing issue she was not allowed to participate in the talks. Thus India is totally bent on making the Ganges sharing a bilateral issue.

CONTENTS OF DHAKA-GDR TRADE TALKS REPORTED

Dhaka THE BANGLADESH OBSERVER in English 16 Nov 84 p 12

[Text] The GDR trade delegation, which visited Bangladesh from November 8 to 13 had trade talks with Bangladesh in a friendly and cordial atmosphere reports BSS.

The GDR delegation led by Mr. Horst Marx, Director General, Ministry of Foreign Trade of GDR showed interest in exporting machineries and equipments plats and engineering products Raw film and X-Ray film drugs, medicines and pharmaceutical raw materials typewriter and ribbon, work shop equipments, hospital equipment, chemical elements and compounds etc. to Bangladesh. The Bangladesh side expressed interest in exporting jute goods and carpet jute yarn and twine, hides and skin, finished leather fruit juice tobacco, finished feature films, handicrafts, readymade garments hosiery products and specialised textiles etc. to GDR.

The matters of depayments of the amount due under credit agreement of pound 10 million was also discussed by way of exporting goods to GDR.

The Bangladesh side raised the question of lifting a portion of their imports from Bangladesh through our state trading organisation, viz, Trading Corporation of Bangladesh and to consider a proposal for enabling Bangladesh flag vessels to have an equitable share in the flow of bilateral trade. The GDR delegation agreed to examine and consider the matter during the negotiation of future barter protocols.

A trade agreement between the two countries was concluded as early as July 2 1972. Under the said agreement so far four barter protocols were signed for the balanced exchange of goods. The last protocol--4 involved exchange of goods and commodities worth US dollar 2.60 million each way whose validity expired on September 30 1984. Both Bangladesh and GDR are now interested in signing the fifth barter protocol for a bigger volume of balanced trad.

CSO: 4600/1165

BRIEFS

NEW SAUDI ENVOY--The Ambassador-designate of Saudi Arabia in Bangladesh Mr. Abdul Latif Abdullah Ibrahim al-Maimanee arrive in Dhaka on Thursday morning to take up his new assignment reports BSS. He succeeds Sheikh Fouad Abdul Hamid al-Khateeb who was Saudi Ambassador to Bangladesh till October, 1982. Born in January 1940, Mr Abdul Latif graduated from Cairo University in economics and political science and also has a master's from the U.S.A. in International Relations. He joined the Kingdom's Foreign Service in 1965 and worked in the embassies in Tokyo and Washington before becoming Counsellor in the office of the Permanent Representative of Saudi Arabia in the European office of UN in Geneva. In 1980, he was appointed Supervisor in the Economic and Cultural Department of the General Court with the rank of Minister plenipotentiary. Mr. Al-Maimanee was chief of the OIC Commission for Economic and Cultural Affairs at the tenth session in Jeddah in 1983. He was on the deputation to the Saudi Arabian English daily, Saudi Gazette, as its Chief Editor. [Text] [Dhaka THE BANGLADESH OBSERVER in English 9 Nov 84 pp 1, 10]

SAUDI CREDITS RECEIVED--BAHRAIN Nov. 15:--Bangladesh has received 202 million riyals (62 million dollars) in loans under an agreement signed in Riyadh yesterday with Saudi Arabia's development fund the official Saudi Press agency reported, states Reuter. It said about nine million dollars will be spent in exploring for oil and gas and the rest in various development projects including irrigation. [Text] [Dhaka THE BANGLADESH OBSERVER in English 16 Nov 84 p 1]

PRC YOUTH DELEGATION--Bangladesh-China Friendship Association accorded a reception to the five-member visiting delegation of All China Youth Federation of a luncheon in Dhaka on Monday reports BSS. Mr. Shafiquh Gani Swapan, Minister of State for Youth and Sports officials of the Ministry Chinese diplomats, journalists of the Xinhua news agency, local journalists and senior members of the Friendship Association were present on the occasion. In the absence of Mirza Gholam Hafiz, President of the Friendship Association who is now in the PG hospital. Mr. Kamrul Islam and Kazi Zafar Ahmed, Vice-Presidents and Mr. S. A. Sikder, Secretary General greeted the visiting delegation. Mr. Guan Nuimin, Professor China Conservatory of Music presented a song. Mr. Yu Wen Tao, leader of the delegation spoke in reply. [Text] [Dhaka THE BANGLADESH OBSERVER in English 13 Nov 84 p 3]

ISLAMIC REPUBLIC DEMANDED--Kazi Abdul Kader, member of the Presidium of Bangladesh Muslim League called upon the government to declare Bangladesh as an islamic republic. The ML leader was addressing a public meeting at Kapasia in Dhaka on Sunday Mr. M. M. Abul Hashem president of the party's Kapasia Upazila unit presided over the meeting It was addressed among others by party's General Secretary Mr M. A. Matin Organising Secretary Mr. Jamir Ali. Kazi Kader said that attendance of President Ershad at the cremation ceremony of former Indian Prime Minister Mrs. Indira Gandhi has lowered the prestige of the nation. He wanted to know the number of representatives from India attending funeral of Sheikh Mujibur Rahman or Ziaur Rahman. In his speech Kazi Kader mentioned that efforts are being made to form a front of political parties aimed at establishment of islamic republic. [Excerpt] [Dhaka THE BANGLADESH OBSERVER in English 13 Nov 84 p 12]

MESSAGE TO CHERNENKO--President and Chief Martial Law Administrator Lt. Gen. H. M. Ershad on Tuesday expressed his belief that the bilateral relations so happily existing between Bangladesh and Soviet Union would further consolidated to the mutual benefit of the two peoples, reports BSS. In a message of felicitation to President Konstantin Ustinovich Chernenko on the occasion of 67th anniversary of the Great October Revolution President Ershad also extended heartiest greetings to him, his Government and the people of Soviet Union on behalf of the people and Government of Bangladesh and his own behalf. The President wished the Soviet President good health, happiness and a long life and the Soviet people continued wellbeing. [Text] [Dhaka THE BANGLADESH TIMES in English 7 Nov 84 p 1]

CSO: 4600/1166

POPLIN FACTORY TO DOUBLE PRODUCTION BY END OF YEAR

Tehran BURS in Persian 30 Sep 84 p 5

[Text] During the first 6 months of the current year, the Iran poplin factory of Rasht has produced 8.98 million meters of different kinds of cloth. The director general of the factory, in an interview with IRNA announcing this, said: "This factory, which after the glorious victory of the Islamic revolution is working under the national industries organization, produces a daily average of 68,000 meters of different cloth." Then he predicted that daily production for the second half of the current year will exceed 120,000 meters of different cloth. Concerning expansion plans for the factory, he said: "Since last April, this factory's dyeing and finishing departments' production lines have been equipped with the most modern dyeing equipment. In trial runs, it has produced over 3.16 million meters of cloth for the consumer market."

Speaking of the primary raw material needs of the factory, the director general said: "Fortunately, due to proper planning, we have enough raw material in stock for 1 year; 40 percent of the primary raw material is prepared and provided from domestic sources and the rest is provided and imported from the outside." On spare parts, he said that "some spare parts are made and repaired by the able hands of the local craftsmen." He added: "According to plans, in the near future a large foundry and machine tool plant will be established within the factory and when this plant begins operations, 70 percent of the factory's cast iron spare parts will be provided by this plant."

In conclusion, he referred to the fact that the factory, based on action taken, will produce 18 million meters of different cloth by the end of the current year. He stated that during the past 6 months, the factory made 3 billion rials from the sale of its output.

9815

CSO: 4640/120

IRAN

RECORD COTTON CARDED IN ANTICIPATION OF WEAVING NEEDS

Tehran BURS in Persian 10 Oct 84 p 4

[Text] The cotton factories of Gorgan and Gonbad have carded 2,000 tons of cotton. From the beginning of cotton collection from the cotton fields of Gorgan and Gonbad up to the end of September of the current year, over 18,646 tons of raw cotton worth 1.864 billion rials have been purchased from the farmers and transported to the ginning factories of the region.

The director general of the cotton department of Gorgan and Gonbad, in an interview with an IRNA reporter, announced: "During the period mentioned, some 8,000 tons of cotton have been ginned in the region's factories and from this amount over 2,386 tons has been carded and around 5,000 tons of cotton seeds have been delivered to the oil seed crop development company of Mazandaran Province for forwarding to the nation's oil-pressing factories for production." He pointed out that at the present time, more than 10,773 tons of raw cotton are in cotton ginning factories and said: "From the start of the ginning of the raw cotton until now, 20 factories out of a total of 41 in the region have started their operations with 1,000 workers." The director of the cotton department of Gorgan and Gonbad added: "Since the weaving factories of the country have the raw material and imported viscose and fiber products from the Esfahan polyester factories, it is possible that they will not purchase the carded cotton; therefore, the necessary plans have been made in this regard. The Mazandaran region bank will make a 1.25-percent profit by purchasing the cotton products from the gin factories and selling them at the appropriate time to the weaving factories of the country."

At the conclusion of this interview, commenting on the higher prices of the carded cotton, he said: "This year, the price of the best quality brand produced in the cotton ginning factories, number 10 carded cotton, has increased 32 rials compared with last year and its 321 rials per kilo. The price of the most inferior quality cotton--grades 3 and 4--has increased 6 rials or over 252 rials per kilo.

9815

CSO: 4640/120

MUSAVI: WE CANNOT TRUST RED CROSS REPORTS

Tehran TEHRAN TIMES in English 25 Nov 84 p 2

[Text] TEHRAN (IRNA)--The Islamic Republic said yesterday that without the realization of three demands the International Committee of the Red Cross (ICRC) will not be permitted to function here.

"Unless the Red Cross changes its officials in Iran and officially announces a change in its policy it will have no place to function in our country," Prime Minister Hussein Musavi said.

He said Iran's third condition is "the preparation of a precise report on the condition of our prisoners in Iraq by the United Nations."

"In light of present developments we cannot trust Red Cross reports."

The prime minister was speaking to IRNA after at a conference held by Iraqi Mujahideen.

"The espionage activities of the Red Cross in Iran is perfectly clear to the government of the Islamic Republic of Iran and the support of the head of this organization for Iraq is the best reason to prove its lack of neutrality." he said.

The ICRC issued a statement Friday appealing to world governments to show concern to "the grave threat which hangs over some 50,000 Iraqi prisoners of war held captive in the Islamic Republic of Iran."

It accused Iran of "grave and repeated violations" of the Geneva Convention as reflected in a "policy which has as its principal characteristic the turning of Iraqi prisoners of war against their own government."

"The head (of the ICRC) is uneasy over why the Iraqi prisoners pray and turn to Islam," Musavi said.

"We will tell them that the reason why they turn to Islam is that they are tired of the crusaders' rule."

The prime minister said the Islamic Republic had made numerous calls for concern on the condition of the former Iranian Oil Minister, Mohammad Javad Tondgooyan, and other Iranians taken captive by the Iraqi forces.

By ignoring the Iranian concern, Musavi said the ICRC had only shown its lack of neutrality towards Iran and Iraq.

He also said the ICRC had turned a blind eye on the condition of prison camps set up by the Zionists, or those in the United States, Chile and Iraq.

"But they issue statements against us and in fact the head of the Red Cross revealed the true nature of the organization."

CSO: 4600/131

RISING DEBT, DEPENDANCE ON IMPORTED GOODS BLAMED FOR ECONOMIC ILLS

Lahore NAWA-I-WAQT in Urdu 5 Nov 84 p 2

[Text] A foreign visitor to Pakistan's bazaars is very impressed with our apparent splendor. Shops are not only full but crammed with foreign goods. There is hardly anything in the world that is not available in Pakistan. The visitor will be further amazed at the number and variety of cars. There is hardly another country in the world that has such a large variety of cars. In shops one can see color TV's, VCR's, at least 15 kinds of refrigerators (every size from small to large), freezers, washing machines and dish washers. A major reason for this situation is that whenever we get a big loan from IMF it carries the condition that the economy must be kept free of controls, and in particular that exports be subjected to minimal restrictions. The IMF emphasizes free trade, with the result that in Pakistan the import of only 30 to 35 articles is restricted. In getting us to this point, our top officials are largely responsible. To please foreign experts has become their main purpose so that they can receive testimonials of ability from these experts and in connection with foreign loans get more opportunities for foreign travel. Our neighbor India gets even more loans but does not brook any restrictions. As a result, in India there are severe restrictions on imports and only 35 to 40 articles are allowed for import. This is why you do not see big car in India. People there have to do with two or three locally made cars. This writer went to India in 1968. I was very keen to visit Chandigarh. I was astonished to find that in front of the chief justice's house was parked his 11 horsepower Fiat, the one manufactured in India.

Leaving aside this superficial splendor, let us examine the country's real state of economy. It is common knowledge that the condition of our country's roads is disgraceful. We are surviving on foreign loans. But our top officials and rulers take pride in the fact that Pakistan's credit rating in foreign countries and their financial markets is so good that there is never any hesitation in granting us loans. The officials and rulers regard this as a measure of their economic success and financial management. According to "Pakistan Economic Survey," our country is \$16 billion in debt and our GNP is \$19 billion.

According to an economic survey of 1983-84, in 1980-81 our foreign debt was 21.5 percent of the GNP whereas now it has risen to 28.7 percent. For a poor country, this rate is very dangerous. Our trade consists largely of foreign goods, and local products have only a very small part of this trade. The obvious reason is that foreign goods can be imported easily and people's tastes have become so spoiled that foreign goods are preferred to even the better quality locally made goods. It is also common knowledge that Pakistani traders stamp Pakistani goods with foreign labels so that these goods can be sold more easily.

These basic defects cannot be corrected simply by pleasant official speeches. We cannot correct the real situation immediately. God forbid that our country should become like South American countries, which have become more or less bankrupt. Our first need is to drastically reduce rising administrative costs. At present, services take 58 percent of the national income. For a poor and indebted country like Pakistan, this is far too much. It is necessary to significantly reduce the ever rising expenditures on administrative services.

The well-known American expert Peter Drucker has written that bureaucracy has an built-in force for self-expansion. Using the example of England, he writes that while the number of British merchant ships has gone down, the number of personnel in related fields has tripled. Now let us examine the purchasing power of the Pakistani rupee and its effect on foreign trade. Let us see how and to what extent foreign trade is influenced by it. The currency exchange rate is kept low in those countries that produce manufactured goods. Their production can be easily increased and they can profit by exporting goods in larger quantity. But on agricultural countries it has the reverse effect. This is especially so for a country like Pakistan, where practically everything is in shortage and for some items the situation is that production is now less than it was 10 years ago. That is why the low rate for the rupee has not had the same effect in our country as it might have had in an industrial nation. On the contrary, there has been a significant increase in the prices of imported goods. To increase exports, the government makes various concessions. But if we examine the situation critically we have to say with regret that these concessions have been misused, and there has been a significant decline in government revenues. The Pakistani economy suffers from the flaw that it cannot succeed in export trade without the help of a variety of concessions. The rate of exchange for the rupee has been left free to float. If we want to balance our economy, we will have to keep the rupee at the old rate of 9.9. We also have to significantly increase worker productivity.

A few years ago I happened to visit a famous textile factory in Karachi. The owner of this privately owned factory was known for his gentleness. I wanted to buy towels for my own use. I did not care for the samples displayed outside. I told the owner that I would like to go inside the factory and see the samples of towels inside. The owner told me that the situation was that for the last 3 years workers had not permitted him to step inside the factory. He had no idea how many workers came to work on the night shift and how many did not; very few workers came to work on time. This situation calls for special attention from government and labor leaders. It is in the interests of the workers themselves that they increase the productivity.

SECURITY CHIEF: RESTRICTED ZONES TO CURB TERRORISM

Colombo THE ISLAND in English 30 Nov 84 p 3

["Text" of speech by Minister Athulathmudali; date and place not given]

[Text] There has recently been a marked increase in the frequency and extent of acts of terrorism and violence in, what is said to be, the cause of Eelam. There has been a change for the worse in the scale and intensity of such terrorist activities in the Northern and Eastern Districts.

These acts of terrorism which began some time ago, were earlier directed against Government institutions and Government property, the CTB buses, the Post Offices, the Railway stations. Property of Public Corporations too were the objects of attack. Terrorists attempted in this manner to disrupt the activities of the Government and its services to the vast majority of peace loving citizens of whatever community, of whatever religious persuasion. They also sought to enrich themselves by loot and plunder of banks and places of storage of public money in Cooperative Societies, in railway stations, in post offices, etc. Such attacks were repulsed with a varied degree of success. They were sporadic eruptions of violence often involving loss of human lives as well.

In the process a very large number of personnel of the Police Armed Services and innocent citizens--not to speak of terrorists themselves--were killed in direct confrontation or most often in cowardly ambush and mining blasts. These incidents took place for the most part in Jaffna district and on a much smaller scale in the other districts of the Northern and Eastern provinces.

Claims were made by various organisations for various attacks and all these were made out to be in the cause of establishing a separatist state in unitary Sri Lanka. There was evidence of involvement of many of these terrorists with foreign organisations for financing, for training and equipment, and for arms and ammunition. Many of these items on capture were found by security forces to be of foreign origin.

In many places these terrorists purporting to mete out justice to anti-social elements killed a large number of men and even women suspected by them to be informants. Foreigners were not spared as we found in the case

of the kidnapping of Mr and Mrs Allen, citizens of USA, and the killing of a Japanese Buddhist priest. There were frequent interruptions to civic utilities and amenities as a result of terrorist attacks.

More recently, however, there has been an escalation of violence. All indications are that these disruptive elements who make it out that they want to effect political changes have decided to try to secure them by a quick and ruthless reign of terror, by the destruction of lives and property of hundreds of peace loving citizens of all communities and religions, by the destruction of the country's economy and its democratic institutions. It is clear that what they aim at is not merely a separatist state, but, with the assistance of other elements that do not have any connection with the cry for Eelam, to destroy democracy itself.

Recently, as you are aware, we had the killing of the highest ranking officer so far in the security forces--Brigadier Ariyapperuma who was on patrol on a northern road when a mine blasted his jeep and sent him to his death. This was immediately followed by the strongest attack by the terrorists on any institution, namely the attack on the Chavakachcheri Police Station. The Tamil Eelam Liberation Organization has claimed responsibility for this destruction of a two storied Police Station Building with a consequent loss of 27 lives, Sinhalese, Tamil and Muslim. Not all of them were police men. Some were uninvolved bystanders. A lorry camouflaged as a Service vehicle and laden with explosives was driven into the Police Station. This blasted the building while a horde of terrorists in army uniform and well armed, shot everybody in sight.

Apart from intensifying the violence and frequency of the attacks in Jaffna area itself, they also turned to the Eastern districts as well--Trincomalee and Batticaloa. The Eastern coast, as I said earlier had been comparatively free from serious incidents but the Chavakachcheri style attack intended for Kalwanchikudi Police Station and the boats off Vakaraï have brought them in force to the East district coast as well. Large quantities of arms and ammunition were captured from the boats which obviously has come from a long way off and were in the process of landing, with terrorists and their wherewithal.

Reliable information has also been received that several terrorist groups have combined and are seeking to make a large scale attack shortly on civilians and Government institutions and personnel in these parts of the country. Many of them, trained and equipped abroad, are reported to have already reached the Northern peninsula from Tamil Nadu. More are expected with a view to launching a simultaneous major offensive in different parts of the country. They are likely to work in singles or in groups depending on their targets which may be groups of people or institutions or installations or individuals such as VIPs. Targets would be selected so as to inflict the maximum damage with a view to paralysing the Government and taking it over for the benefit of themselves and others who are committed to destroy democracy and to establish totalitarianism. It includes security establishments in the Northern and Eastern Districts as well as in Colombo with widespread acts of sabotage which affect Public utilities and amenities.

It is an open secret that the terrorists have once again set their goal of achievement of Eelam for Thai Pongal day, which is 14th January. It is clear that on this occasion they have decided to make a last determined effort to unleash their violence on as wide a front as possible. In the context of this evident culmination of what were earlier sporadic and spasmodic acts of violence, in a series of quick and concentrated efforts to gain their ends, it is the bounden duty of the Government to take all preventive steps; to do all we can consistent with democracy and with a view precisely to prevent the wiping out of democracy in Sri Lanka. With this end in view the Government, as many of you would already be aware, has enacted a series of emergency regulations, and my intention here is to acquaint you with these regulations, their import and the context in which the Government has found it necessary to frame each of them.

Many of the restrictions which are the aim of the regulations are certainly unpleasant and likely to affect the lives of many persons, not themselves responsible for the current situation which has made the promulgation of these necessary. The Government wishes to make it very clear that these regulations have been brought into force after a very careful consideration of their possible impact on the normal lives of peaceful citizens. Every single regulation has been carefully thought out and the necessity for each carefully examined. The developing situation and the need to safeguard the life of the community have been the paramount consideration.

These Emergency Regulations have been enacted with a view to safeguarding the life of the community and enabling the Government to discharge its responsibility to the vast majority of the citizens of this country who wish to live in peace and harmony regardless of ethnic and other differences. If one were to consider that these regulations impose severe hardships on persons living in the relevant areas in this country--and they undoubtedly do--I would urge that such hardships be viewed in the context of the necessity for and duty of the Government to rid the country of this menace of terrorism once and for all in the larger interests of all concerned. Such hardships as are bound to arise have to be considered against the countervailing catastrophic consequences of a reign of terrorism. This Government is committed to prevent this as a corollary to its pledge to safeguard law and order within the democratic framework.

I would like to deal with these regulations principally under two headings, Prohibited Zones and Security Zone.

It has become necessary to declare as a Prohibited Zone an area of land which may roughly be described as an arc ranging along the Western Northern and North-Eastern Coast from Mannar to Mullaitivu. No person shall remain in or enter into that Zone for any purpose whatsoever without the authority of the Superintendent of Police. This does not however, prevent access to the mainland by permanent residents in the Islands of Eluvaitivu, Analaitivu, Nainativu, Delft, Palaitivu, Iranaitivu.

If as a result of the operation of this Prohibited Zone, a person is affected in respect of his livelihood or his usual source of income, we have provided

for applications to be made to and relief to be given by the Competent Authority. It is essential for the effective operation of the security forces that there should be even this small area of land bordering the Northern Coast completely free from human habitation and human activities. It is in the interests of the peace loving citizens themselves that they should leave this area free for the forces effectively to provide surveillance, to carry out reconnaissance and so provide full security to those that inhabit the land south of this Prohibited Zone. Unless this No Man's Land in the form of a prohibited zone--a cordon sanitaire--is established in this manner, we cannot guarantee the effective functioning of the forces and the avoidance of any unnecessary and unfortunate collision with the civilian population.

In the demarcation of the Prohibited Zone we have taken into account the areas of the most intense terrorist activity and made the boundaries such as to have within the Zone the minimum area necessary for the work of the security forces.

The other set of regulations relates to the Security Zone. This contains all the Grama Sevaka Divisions in the Jaffna district and certain roads leading to and out of the Jaffna District. The object of this regulation is to enable security forces to be satisfied with the identity of persons entering into and residing in the areas concerned. For this reason all persons in this zone should, if they are citizens of Sri Lanka, carry with them their National Identity Cards furnishing them for inspection if so required by a Police Officer or a member of the Forces. If it happens to be a non citizen, then, he must carry with him a valid passport or other valid travel document.

Any person who is not a permanent resident of the Security Zone and who is entering it should report to the Police Station nearest to his temporary residence within seven days of the coming into force of the regulations. Any person who wishes to enter or leave the Security Zone must do so after reporting his movements to the AGA of the Division of his last residence.

As a further step towards establishing the identity of those who are bona fide residents of an area and excluding intruders bent on mischief, it is a requirement that every house-holder in the prescribed area must furnish the OIC of the Police Station when required to do so, with lists of inmates of his house distinguishing persons of the family from the servants or others in it. If so requested he should also report any increase or any diminution or change in the composition of his house-hold, and he will not on receipt of a prohibiting order, harbour any strangers without notice to the OIC of the Police Station. This I must say is nothing new but has been a part of the law of this country in the form of Section 76 of the Police Ordinance Chapter 53. The only difference is that in place of the Magistrate and the IGP in Section 76 of the Ordinance we have, in the more localised context of events, given the power to a Police Officer not below the rank of ASP.

We have also the problem of unrestricted vehicular mobility which creates security problems. The Government wishes, while placing minimum restrictions

on the movement by persons with bona fide objectives, to ensure that persons with subversive intentions do not have vehicular mobility to help them attain their objectives. For this purpose we have had to have regulations which prohibit any resident in the Security Zone from possessing any motor vehicle without a written authority from the ASP of the area. Such authorisation should be prominently displayed when the vehicle is in use. Use of any motor vehicle or a pedal cycle on any public road in the Security Zone would require approval by the Competent Authority. Cars, lorries or Sri Lanka Transport Board buses can ply within the Security Zone only along specific routes at specific times and in specific directions. Distinctive colours have been assigned for authorisation in respect of specific routes. We have so arranged times and directions as to impose the least possible inconvenience on the public, taking into account the times they must want to get about their legitimate business and the directions in which there are established traffic trends.

Along with the restrictions on mobility which has been one of the supporting factors in the spread of terrorism, is the need for the restriction in the availability of fuel. Certain regulations are designed to look after this aspect of the matter. Certain persons only are authorised to deal in fuel and that too with restrictions in regard to the quantity of fuel that may be possessed and the quantity that may be issued in particular circumstances. We have also had to look after the allied problem of the all too frequent loss of vehicles or the hijacking of vehicles. It is not an uncommon occurrence in the areas in which terrorists have operated that vehicles have been hijacked in collusion with owners. We have had instances where terrorists have purchased vehicles particularly vans for their own use. They finance the purchase and the registration is in the name of some other party. Shortly after purchase a hijack is staged and the terrorists get away with what is in fact their own vehicle registered in another's name. Loss of vehicles are not reported as frequently as they occur. It will now be a requirement within the Security Zone that any person permitted under the regulations to possess a vehicle should forthwith and in any event within 24 hours, report the loss of a vehicle.

Under the regulations an officer of the Police or the Forces of appropriate rank may remove any obstacles permanent or temporary which obstruct sight or movement within the Security Zone. Quite frankly the freedom of movement of the Security Forces and freedom to deal with subversive elements is the compelling reason for this. We cannot afford to have anything impede the guardians of the law in their duties in this Zone.

As much as in the case of vehicles so in the case of other equipment, collusive action cannot be ruled out where they have been used for terrorist purposes. Now under the Emergency Regulations any particular vehicle or other equipment used in the committing of an offence can be searched, seized, removed or detained and on conviction of the person concerned all such property will be forfeited. Any aggrieved party can make a claim to the High Court of Colombo and seek release of such property that it was used without his knowledge or contrary to his instructions.

Another problem that we have had to face is the proliferation of facsimiles of Police, Army, Navy and Air-force uniforms used by terrorists as camouflage for their activities. We have an example as I said, in the attack of the Chavakachcheri Police Station. We are aware that it is a common device by those seeking to enter a place of security or to act in a manner that would be legal for the Police and the Security Forces, to masquerade in the dress of such forces. While the problems created by the adoption of look-alike uniforms by private security organizations and security personnel privately engaged is receiving the attention of the Government with a view to correcting the situation, we find that certain terrorists dress themselves up in look-alike uniforms to get about on subversive activities without let or hindrance and that certain tailoring organizations are actively helping them. These uniforms are stitched on various scales by individuals and by tailoring marts located not only in the Northern and Eastern Districts but in many other parts of the country including Colombo in particular.

We have therefore had to provide in the regulations that no person anywhere in Sri Lanka shall stitch or tailor any garment with a view to turning out anything resembling any uniform of the Police, Army, Navy or Air-force without appropriate authority. We cannot have persons dressed so as dangerously to mislead the public and to confuse the security forces as well by posing off as members of such forces. Particularly at a time when the Police and the Security Forces have legitimately to be in many places for guarding, patrolling and for the prevention of offences, the people must know who in fact are the real guardians of the law.

Any person who wishes to use his premises for himself or for any other person to stitch or tailor garments resembling those of the Police or the forces will have to obtain appropriate authority to do so. Possession of any uniforms or any garment resembling a uniform will also require special permission.

We have next to deal with the most dangerous and most diabolical device handled by the terrorists and with such callous disregard for human life. These are the bombs and explosive devices. It is essential that there should be certain collective responsibility in the Community for safeguarding of lives and property. We have instances elsewhere in the world, where responsibility for the presence or explosion of explosive devices has had to be brought home to the Community which assists in or refrains from preventing explosive devices within certain areas. Handsome rewards have been announced to those who give information with regard to the likelihood of the planting of explosive devices or the presence of such devices and as a corollary to this, we have to take punitive action for failure to be circumspect about such devices. Penal action for failure to give information regarding explosive devices would necessarily be much more stringent while the corresponding benefits following co-operation with the authorities will be very rewarding. Where explosives are found by the authorities or blasts take place, it will be necessary to re-locate the people within a given area from the site of the discovery or blast. The Government is not satisfied that in every instance of the

discovery of explosive devices or the placing of such devices, the people in and around the area are as ignorant as they make it out to be and, therefore, within the Security Zone, vicarious responsibility will have to be taken for the consequences of default, by those living within a certain distance of the point concerned.

It must be emphasised that these rules are temporary. It is our hope that these rules would be necessary for only the shortest possible time. Public co-operation and volunteer efforts can minimise the time. They provide us with a necessary legal framework within our democratic form of Government to impose certain restrictions on certain persons for the common good of all. These are by no means unique in the strategies of Governments to maintain effective control over a situation as serious as that which we now face. Many countries have had to resort to such unpleasant devices in times of national stress and tension with the adoption of similar restrictive and regulatory measures.

Certain foreign papers have given prominence to the claims of the terrorists that they would soon wrest the power from the security forces of this country or dislodge them from where they are before the end of the year. This is a time during which the co-operation of every peace loving person is necessary in helping in every way, big or small, in which he thinks he can contribute. It is hardly necessary to point out that while the Government will do everything it can in this regard, the Government alone cannot do everything to ensure the restoration and maintenance of peaceful conditions in Sri Lanka, conditions in which people of various communities and various religious persuasions can live in amity, in peace and in harmony. We require not merely professions of patriotism but also practical manifestations of this as well. We require Vigilance Societies, Volunteer bodies and others organised for the necessary self-policing and self-regulation to supplement the massive efforts of the Government.

If Sri Lanka which has so long enjoyed the reputation of a hospitable country in which people of different communities and religions have lived harmoniously together is to regain its reputation we have, all of us, to put up with certain minimum hardships necessary to enable the Government to get Sri Lanka back into that condition.

Vigilance alone is not the price of liberty, but the endurance too of such temporary restrictions on it are as essential for its survival.

Those who claimed responsibility for the blast at the Hotel in Brighton which set out to destroy Mrs Margaret Thatcher and her Cabinet colleagues said, "We have been unlucky this time. You have to be lucky every time. We have to be lucky only once." Unlike those terrorists it is our intention to rely on something more substantial than luck.

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